



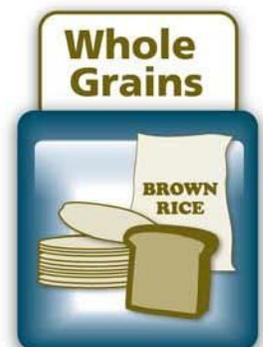
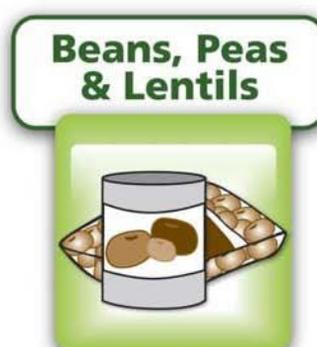
North Carolina WIC Program

Vendor Manual

October 1, 2016 to September 30, 2017

Nutrition Services Branch

N.C. Division of Public Health



**NORTH CAROLINA
WIC VENDOR MANUAL**

EFFECTIVE October 1, 2016 – SEPTEMBER 30, 2017

**WIC
SPECIAL SUPPLEMENTAL
NUTRITION PROGRAM
FOR WOMEN, INFANTS AND CHILDREN**

STATE OF NORTH CAROLINA

Department of Health and Human Services

Division of Public Health • Nutrition Services Branch

www.nutritionnc.com

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Purpose of This Manual

The WIC Vendor Manual provides instruction to assist vendors participating in the North Carolina WIC Program. This manual, effective October 1, 2016, is a source of information about proper management practices as well as the requirements and responsibilities of the authorized WIC vendor.

Most questions or problems can be resolved by referring to the WIC Vendor Manual, WIC Vendor Agreement, or by going to the Nutrition Services Branch web site www.nutritionnc.com/wic/vendor.htm. Any suggestions or unanswered questions about the WIC Program should be directed to the Local WIC Program.

Program: _____

Phone: _____

Email Address: _____

What is WIC?

“WIC” stands for the Special Supplemental Nutrition Program for Women, Infants, and Children. The United States Department of Agriculture (USDA) funds this program throughout the United States to provide nutrition education and supplemental foods for:

- Infants;
- Children under age five (5);
- Pregnant women;
- Postpartum women; and
- Breastfeeding women

The WIC Program is designed to prevent health problems in mothers and their young children and to promote healthy habits and healthy families. The program also provides referrals to other services and support for breastfeeding women and their infants. Health professionals at Local WIC Agencies determine an individual’s eligibility for the WIC Program based on nutritional risk, household income, and residence in the state of North Carolina (NC).

The WIC supplemental foods are good sources of important vitamins and minerals, high in fiber, and lower in fat content. The foods are individually prescribed by the health professional to meet the nutrition needs of each participant.

What is the Role of the Vendor?

Vendors play a unique role in the WIC Program and are critical to the success of the program. Local WIC Agencies issue food instruments (FIs) and cash-value vouchers (CVVs), types of “food prescriptions”, to WIC customers who exchange them for WIC supplemental foods. Vendors receive payment by depositing FIs and CVVs in their bank, just as if they were depositing a check. Only authorized vendors may transact (accept) FIs and CVVs.

WIC vendors are not permitted to use the acronym “WIC” or the WIC logo, including facsimiles, in total or in part, in the official name in which the business is registered or in the name under which the store does business. WIC vendors are also not permitted to use the WIC logo in advertising or promotional literature, nor are vendors allowed to apply stickers, tags, or labels having the WIC acronym or logo on NC-approved WIC supplemental foods. Both the acronym and logo are registered service marks with the U.S. Patent and Trademark Office. The purpose of the restriction is to prevent use of the service marks by private sector organizations in ways likely to cause confusion in regard to their involvement with the WIC Program. It is USDA’s policy to avoid endorsements, directly or indirectly, of any commercial product, service, or enterprise.

The State WIC Program allows vendors to use WIC shelf tags; however, it does not provide tags to vendors. The shelf tags may read “WIC Approved Item,” “WIC Approved Food,” or something similar. The tags may not include the name of a manufacturer, distributor, wholesaler, store, or brand name.

How to Become a WIC Vendor

To become an authorized WIC vendor, vendor applicants must comply with the selection criteria established by the USDA and the NC WIC Program. A vendor applicant must:

1. Be an authorized Supplemental Nutrition Assistance Program (SNAP) vendor (free-standing pharmacy vendors are exempt from this requirement). A vendor applicant shall not become authorized as a WIC vendor if the store is currently disqualified from SNAP or the store has been assessed a SNAP civil money penalty for hardship and the disqualification period that otherwise would have been imposed has not expired;
2. Not use the acronym “WIC” or the WIC logo, including facsimiles thereof, in total or in part, in the official name in which the business is registered or in the name under which the store does business;
3. Accurately complete the WIC Vendor Application; WIC Price List or WIC Price List for Free-standing Pharmacies; WIC Vendor Agreement or WIC Vendor Agreement for Free-standing Pharmacies; Vendor Authorization Agreement for Direct Deposit (ACH Credits) form; and either an Above-50-Percent Vendor Self-Declaration form (retail vendors) or Cost-Containment Exemption for Free-standing Pharmacy Vendors form;
4. Maintain current shelf prices that do not exceed the maximum allowable price (MAP) for each food within the vendor applicant’s peer group (Free-standing pharmacy vendors are exempt from this requirement);
5. Pass a pre-authorization monitoring review conducted by the Local WIC Program to determine whether the store has the required minimum inventory of supplemental foods;
6. Maintain inventory within valid expiration dates;
7. Attend, or have a store manager or other authorized store representative attend, WIC Vendor Training. Ensure that the applicant’s employees receive instruction in WIC Program policies, procedures, and requirements;
8. Mark the current shelf prices of all WIC supplemental foods clearly on the foods or have the prices posted on the shelf or display case at all times;
9. Operate the store at a single, fixed location in NC. The store must be located at the address indicated on the WIC Vendor Application and must be the site at which WIC supplemental foods are selected by the WIC customer;
10. Be open throughout the year for business with the public at least six days a week, for at least 40 hours per week, between 8:00 a.m. and 11:00 p.m.;
11. Purchase and provide to WIC customers only infant formula, exempt infant formula, and WIC-eligible nutritionals (medical foods) directly from State-approved sources;
12. Not have any owners, officers, or managers who are employed by, or who have a spouse, child, or parent employed by the State WIC Program or the Local WIC Program serving the county in which the vendor applicant conducts business. An applicant also shall not have an employee

who handles, transacts, deposits, or stores WIC FIs or CVVs who is employed by, or has a spouse, child, or parent who is employed by the State WIC Program or Local WIC Program serving the county in which the vendor applicant conducts business. Such situations present a conflict of interest;

13. Not have any owners, officers, or managers who in the last six (6) years have been convicted of or had a civil judgment entered against them for any activity indicating a lack of business integrity. Such activities include, but are 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;
14. Not currently be disqualified from participation in the WIC Program. Additionally, the vendor applicant must not have an owner, officer, or manager that currently has, 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;
15. Not be expected to operate as a predominantly WIC vendor (PWV), as determined by the State WIC Program. A PWV is a vendor that derives more than 50-percent of its annual food sales revenue from WIC food instruments;
16. Excluding chain stores and stores under a WIC Corporate Agreement that have a separate manager on-site for each store, not have an owner who holds a financial interest in any of the following: (1) another store that is disqualified from SNAP, or has been assessed a civil money penalty (“CMP”) in lieu of the disqualification and the time period during which the disqualification would have run has not expired; or (2) another store that is disqualified from the WIC Program, or has been assessed a monetary or civil money penalty in lieu of the disqualification and the time period during which the disqualification would have run has not expired; and
17. Not submit false, erroneous, or misleading information in an application to become an authorized WIC vendor or in subsequent documents submitted to the State or Local WIC Program.

Competitive Pricing and Price Limitations

Federal regulations require State WIC Agencies to establish competitive pricing and price limitations for vendor authorization. Competitive pricing considers the prices a vendor charges for supplemental foods as compared to the prices charged by other authorized vendors for the same foods. Price limitations ensure that a vendor maintains competitive prices as an authorized vendor. Competitive pricing and price limitations are selection criteria that must be effective throughout the entire agreement period. Subsequent to authorization, a vendor must not increase their prices to levels that would make them ineligible for authorization.

The competitive pricing structure for the NC WIC Program establishes five (5) peer groups. The following lists the definitions of each vendor peer group.

Vendor Peer Groups

PEER GROUP NUMBER	Definition of Peer Groups		
	12-month Redemption	Registers	Store Class
I	\$2,000 - \$25,000	0-2	Not applicable
II	\$25,001 - \$75,000	3-5	Not applicable
III	\$75,001 - \$300,000	6 or more	Not applicable
IV	\$300,001 or more	Not applicable	Chain stores, stores under a WIC corporate agreement, & military commissaries
V	Not applicable	Not applicable	Free-standing pharmacies

Peer groups will be determined using the following system:

1. Store classification. This system supersedes redemption history and the number of registers for chain stores, stores under WIC Program Corporate Vendor Agreement, military commissaries, and free-standing pharmacies. For example, a new major chain store is automatically assigned to peer group IV.
2. Number of registers. This system is used when a vendor applicant is not grouped by store classification and annual WIC Program redemption history is not available.
3. Redemption data. Vendors for which annual redemption history is available will be placed in a peer group based on the vendor's redemption data. This system supersedes the number of registers and excludes vendors assigned to a peer group based on store classification.

Definitions

Chain Store: A store owned or operated by a corporation, partnership, cooperative association, or other business entity that has 20 or more stores owned or operated by the business entity.

Free-standing Pharmacy: A pharmacy that does not operate within another retail store. This includes free-standing pharmacies that are chain stores and free-standing pharmacies participating under a WIC corporate agreement. Pharmacies operating within a retail store, such as a chain store, are not included in this category. Such pharmacies are authorized as part of the retail store and not authorized independently.

Predominantly WIC Vendor (PWV): A vendor that derives more than 50% of its annual food sales revenue from WIC FIs. **PWVs are not authorized in NC.** If the State WIC Program determines that a vendor applicant is expected to be a PWV, the vendor application will be denied. If the State WIC Program determines that an authorized vendor has become a PWV based on analysis of its food sales documentation, the vendor's WIC Vendor Agreement will be terminated.

Food Instrument (FI): Check used by a WIC customer to obtain NC-approved WIC supplemental foods.

Cash-value Voucher (CVV): A Fixed-dollar amount check used by a WIC customer to obtain authorized fruits and vegetables.

Crossroads: NC WIC Program's integrated computer system for issuance and redemption of FIs and CVVs.

Maximum Allowable Price (MAP)

A MAP is established for most supplemental foods on FIs transacted by vendors in peer groups I-IV. The MAP is set at the 97th percentile of the current highest shelf price for most supplemental foods within a vendor peer group. The payment for any FI cannot exceed the MAP for the combination of foods on that FI. The MAPs are established using WIC Price List data twice per year and market surveys twice per year.

Formula prices depend on the type of formula. Contract standard milk and soy-based infant formulas have MAPs based on price list data. MAPs are posted on the State WIC Program web site, www.nutritionnc.com/wic/vendor.htm. Exempt infant formulas and WIC-eligible nutritionals (medical foods) do not have MAPs but instead, payments are based on current shelf price.

A list of infant formulas, exempt infant formulas and WIC-eligible nutritionals (medical foods) approved through the WIC Program is posted on the NC Nutrition Services Branch web site, www.nutritionnc.com/wic/vendor.htm, and may also be obtained from your Local WIC Program.

Application Process

Applicants, other than free-standing pharmacies, must be authorized SNAP vendors prior to applying for WIC Program vendor authorization. To be eligible to accept WIC FIs and CVVs, food retailers must be authorized by the Local and State WIC Agencies, which includes having a current WIC Vendor Agreement signed by the vendor, the Local WIC Program, and the State WIC Program. Free-standing pharmacies are authorized through the same process, but can only accept FIs for exempt infant formulas and WIC-eligible nutritionals (medical foods). The owner, store manager, or other authorized vendor representative must attend training provided by the Local WIC Program.

Following the orientation to the WIC Program, vendor applicants not under a WIC corporate agreement must complete the following forms:

- WIC Vendor Application (DHHS 3282);
- WIC Price List (DHHS 2766) or WIC Price List for Free-standing Pharmacies (DHHS 2766-P);
 - Free-standing pharmacies are only required to submit the WIC Price List for Free-standing Pharmacies (DHHS-2766-P) for exempt infant formula and WIC-eligible nutritionals (medical foods) at authorization and reauthorization.
- WIC Vendor Agreement (DHHS 2768) or WIC Vendor Agreement for Free-standing Pharmacies (DHHS 2768-P);
- Vendor Authorization Agreement for Direct Deposit (ACH Credits); and
- Above-50-Percent Vendor Self Declaration (retail vendors) or Cost-Containment Exemption for Free-standing Pharmacy Vendors form

Corporations with twenty (20) or more authorized stores in NC, sign one (1) WIC Vendor Agreement (WIC Corporate Agreement) for all of its individual stores. In addition, corporations under a WIC Corporate Agreement are only required to complete one (1) price list for all of its individual stores – either a WIC Price

List (retail vendors, DHHS 2766) or a WIC Price List for Free-standing Pharmacies (pharmacy vendors, DHHS 2766-P). Therefore, individual stores under a WIC Corporate Agreement do not submit an individual WIC Vendor Agreement, WIC Price List, or a WIC Price List for Free-standing Pharmacies.

Following the orientation to the WIC Program, vendor applicants under a WIC corporate agreement are only required to complete the following forms:

- WIC Vendor Application (DHHS 3282);
- Vendor Authorization Agreement for Direct Deposit (ACH Credits); and
 - Form required only for applicants with a different bank account for each store.
- Above-50-Percent Vendor Self Declaration (retail vendors) or Cost-Containment Exemption for Free-standing Pharmacy Vendors

Vendor applicants (corporate and non-corporate) should submit all authorization-related forms to the Local WIC Program. The Local WIC Program then conducts a pre-authorization monitoring visit of the store to determine if the applicant's store meets WIC vendor requirements. A key requirement is that the store carries the required minimum inventory of WIC supplemental foods.

A vendor applicant must pass the monitoring review to become authorized. If a vendor applicant fails the first review, the Local WIC Program re-monitors within fourteen (14) days. Vendor applicants that fail the monitoring visit a second time cannot reapply for a period of ninety (90) days from the date of the second monitoring visit.

After the required pre-authorization monitoring visit has been completed, the Local WIC Program then submits the required forms to the State WIC Program for review. If a vendor applicant has prices above the MAP for its assigned peer group, the State WIC Program notifies the vendor applicant in writing. The vendor applicant is then given an opportunity to submit a revised WIC Price List within thirty (30) days. If any of the vendor applicant's resubmitted prices exceed the MAP, or the vendor does not resubmit prices within thirty (30) days, the application is denied in writing. The applicant must wait ninety (90) days from the date of the written denial to reapply for authorization.

Note: Vendor applicants that are denied WIC Program authorization receive written notification of this decision. This letter includes information regarding how to request a contested case hearing with the Office of Administrative Hearings (OAH) should the applicant wish to appeal the decision.

A vendor applicant cannot transact (accept) WIC FIs or CVVs prior to authorization. **Upon authorization, the State WIC Program will provide a WIC Vendor Agreement (signed by the vendor, the Local WIC Program, and the State WIC Program), as well as issue a vendor stamp to the vendor through the Local WIC Program.**

Authorized vendors should notify their bank of their participation in the WIC Program. A sample letter to the bank is provided for that purpose in the "Forms, Instructions, and Resources" section of this manual.

How to Maintain or End WIC Vendor Authorization

Authorized vendors wishing to maintain their WIC authorization must have on file in the State WIC Program, a signed, current WIC Vendor Agreement (DHHS 2768) or WIC Vendor Agreement for Free-standing Pharmacies (DHHS 2768-P)*. Authorized vendors must complete a WIC Vendor Information Update (DHHS 779) each year prior to October 1, and at any time there is a change in store information. Retail grocery vendors must also submit an updated WIC Price List (DHHS 2766) by October 1 and April 1 of each year, and within one (1) week of the written request of the State or Local WIC Program. A sample of retail vendors will also be required to submit market basket price lists twice per year. All vendors must attend annual vendor training each year by September 30th to maintain authorization.

**Note: The North Carolina WIC Vendor Agreement runs on a three (3) year cycle, with the current Agreement effective until September 30, 2018. If a vendor becomes authorized during the three-year cycle, the Agreement will be effective from the date of authorization until September 30, 2018. Authorization is not a license or property interest. Vendors must reapply for WIC authorization at the end of each contract period.*

Excluding free-standing pharmacies, a vendor must redeem at least two-thousand dollars (\$2,000) annually in WIC supplemental food sales. Failure to redeem at least two-thousand dollars (\$2,000) annually will result in the termination of the WIC Vendor Agreement.

Change of ownership shall result in termination of the WIC Vendor Agreement by the State WIC Program. The new store owner can apply for vendor authorization as described in the “How to Become a WIC Vendor” section of this manual. If a store changes its name but not ownership, the Local WIC Program must be notified in writing of that change. A new WIC Vendor Agreement is not required.

A change in store location of more than three (3) miles from the store’s previous location shall result in termination of the WIC Vendor Agreement by the State WIC Program. The store owner must reapply for vendor authorization as described in the “How to Become a WIC Vendor” section of this manual.

If the store relocation is three (3) miles or less, a new WIC Vendor Agreement is not required. Complete the WIC Vendor Information Update form (DHHS 779) and submit to the Local WIC Program.

Additionally, 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 Program. The store owner must reapply for vendor authorization as described in the “How to Become a WIC Vendor” section of this manual.

Please refer to the Terms of Vendor Agreement (or Terms of Vendor Agreement for Free-standing Pharmacies) and 10A N.C.A.C. Subchapter 43D for a comprehensive list of requirements relevant to maintaining WIC vendor authorization.

Vendors may voluntarily end their WIC Vendor Agreement at any time by providing thirty (30) days’ advance written notice to the Local WIC Program. At the end of this 30-day period, the vendor must return their WIC stamp to the Local WIC Program. Vendors should notify their WIC customers of the date after which they will no longer accept WIC FIs or CVVs.

How to Handle Customer Service Issues (Complaints)

Local WIC Agencies are required to report significant customer service issues (complaints) about vendors to the WIC Vendor Unit in the Nutrition Services Branch. The customer service issue may come from a variety of sources including WIC customers, WIC staff, WIC vendors, and members of the general public. Depending on the nature of the customer service issue, the Nutrition Services Branch may target the vendor for investigation.

Vendors and WIC customers should report vendor and participant related customer service issues to their Local WIC Program before contacting the State WIC Program.

When submitting a customer service issue, use the “WIC Vendor Management Customer Service Issues Form.” An example of this form can be found in the “Forms, Instructions and Resources” section of this manual.

WIC Supplemental Foods

The WIC Program allows certain supplemental foods that are beneficial to and meet specific nutrient needs for its customers. WIC customers can obtain any of the NC-approved WIC supplemental foods in the quantities specified on the WIC FIs and authorized fruits or vegetables with CVVs.

A list of the NC WIC Program approved foods and the current formula products approved for issuance may be obtained at your Local WIC Program or found at the Nutrition Services Branch web site, www.nutritionnc.com/wic/vendor.htm.

Note: For more information, refer to the NC WIC Vendor Transaction Guide effective October 1, 2015.

Sources of Infant Formula

Vendors must purchase and provide to WIC customers only infant formula, exempt infant formula, and WIC-eligible nutritionals (medical foods) directly from State-approved sources and provide to WIC customers infant formula, exempt infant formula, and WIC-eligible nutritionals (medical foods) purchased only from the State-approved sources. Failure to comply with these requirements shall result in termination of the WIC Vendor Agreement. A list of approved sources (suppliers) may be obtained at your Local WIC Program or found at the Nutrition Services Branch web site, www.nutritionnc.com/wic/vendor.htm. Vendors must retain invoices, receipts, copies of purchase orders, and any other proofs of purchase for all WIC supplemental foods, including infant formula, which details at a minimum: the name of the seller and be prepared entirely by the seller or on the seller’s business letterhead; the date of purchase and the date the authorized vendor received the WIC supplemental food at the store if different from the date of purchase; and a description of each WIC supplemental food item purchased, including brand name, unit size, type or form, and quantity. Failure to retain and provide this purchase documentation upon request can lead to disqualification from the WIC Program.

Minimum Inventory Requirements (Retail Vendors)

To assure that WIC customers can obtain all foods prescribed on their FIs and authorized fruits and vegetables with a CVV, WIC retail vendors must stock the required minimum inventory of WIC supplemental foods. The required minimum inventory is listed in the WIC Vendor Agreement. An exception to the minimum inventory requirement is made for free-standing pharmacies, which provide only exempt infant formula and WIC eligible nutritionals (medical foods). The required minimum inventory is listed below.

Minimum Inventory Requirements

Food Item	Type of Inventory	Quantity
Milk	Whole fluid, gallon	2 gallons
	Skim/low-fat (1%) fluid: gallon	4 gallons
Cheese	1 pound package	2 pounds
Cereals	2 types: whole grain (minimum package size 12 ounces)	6 packages total
Eggs	Grade A, large, white: 1-dozen size carton	2 dozen
Juices	Single strength: 48 ounce container	4 containers
	64 ounce container	4 containers
Dried Peas & Beans	1 pound package	2 packages
Peanut Butter	16 to 18 ounce container	2 containers
Infant Cereal	8-ounce box	6 boxes
Infant Formula	Milk-based concentrate: 12 to 13 ounce	34 cans
	Soy-based concentrate: 12 to 13 ounce	17 cans
	Milk-based powder: 11 to 14 ounce	10 cans
	Soy-based powder: 11 to 14 ounce	5 cans
	(Brands must be the primary contract infant formulas)	
Fruits	14 to 16 ounce can: 2 varieties	6 cans total
Vegetables (excludes foods in the dried peas & beans category)	14 to 16 ounce can: 2 varieties	6 cans total

Guidelines for Transacting WIC Food Instruments & Cash-value Vouchers

A transaction is the process by which a WIC customer presents a FI or CVV to a vendor in exchange for authorized supplemental foods allowed by the WIC Program. The FI or CVV transaction must take place at the vendor's store. In other words, WIC customers (the participant, parent, guardian, proxy, or compliance investigators) must select the WIC supplemental food at the vendor's store.

The key to proper WIC transactions is to ensure that all store personnel strictly follow procedures. If proper procedures are not followed, FIs and CVVs will be rejected. In addition, personnel from the State or Local WIC Program may investigate and/or conduct routine monitoring of the store.

Authorized WIC vendors may not discriminate against WIC customers. For example, an authorized WIC vendor cannot create a separate checkout line for WIC customers.

There are two types of FIs:

- FIs that have the WIC "Family Name," "Family ID (F-ID)," the "First Date to Spend" and "Last Date to Spend" electronically printed on them.
- Manual FIs that have the "Family Name," "Family ID (F-ID)," the "First Date to Spend" and "Last Date to Spend" hand-written (manually) on them by the Local WIC Program.

There are two types of CVVs:

- CVVs that have the WIC "Family Name," "Family ID (F-ID)," the "First Date to Spend" and "Last Date to Spend" electronically printed on them. They are printed in denominations from \$1 - \$10.
- Manual CVVs that have the WIC "Family Name," "Family ID (F-ID)," the "First Date to Spend" and "Last Date to Spend" hand-written (manually) on them by the Local WIC Program. They are printed in denominations from \$1 - \$10.

FIs and CVVs issued by NC can be transacted at any WIC-authorized retail vendor within the state. Vendors that transact FIs or CVVs issued by other states run the risk of not being paid.

Transacting WIC Food Instruments at Free-standing Pharmacies

Authorized free-standing pharmacies can transact only FIs for exempt infant formula and WIC-eligible nutritionals (medical foods). If taken by a free-standing pharmacy, CVVs and FIs for any foods other than exempt infant formula and WIC-eligible nutritionals (medical foods) will not be paid. The FIs and CVVs will be rejected by the bank and a service charge may be incurred for each one returned. A list of these exempt infant formulas and WIC-eligible nutritionals (medical foods) can be found on the Nutrition Services Branch web site at www.nutritionnc.com/wic/vendor.htm or from your Local WIC Program.

Samples of the NC FIs and CVVs are shown on the following pages.

WIC Food Instrument

An example of a FI. This is the approximate size printed on a lavender background.

FI must be transacted on/or between the "First Date To Spend" and the "Last Date To Spend".

THIS DOCUMENT HAS HEAT SENSITIVE INK, MICROPRINT SIGNATURE LINE AND VISIBLE SECURITY WATERMARKS

 <p>STATE OF NORTH CAROLINA WIC PROGRAM <small>VALID ONLY FOR THE TYPES AND QUANTITIES OF WIC APPROVED FOODS AS LISTED BELOW.</small></p>	 <p>SOLUTRAN <small>Customer Payment Solutions</small></p>	<p>CITIZENS ALLIANCE BANK HOWARD LAKE BRANCH CLARA CITY, MN 56222 ACCOUNT # 801633</p>	<p><u>75-1248</u> 919</p>								
<p>1 Gallon Whole Milk 1 Containers Beans/Peas (1)-16 oz Bag Dry or (4) 15-16 oz Cans 1 Containers Juice 64 oz. 1 16 oz Whole Wheat Bread or Whole Grains 36 Ounces Breakfast Cereal 1 Dozen Grade "A" Large White Eggs END OF LIST...VOID IF ALTERED</p>	<p>Family Name/F-ID LUCILLE BALL F16000000001</p>	<p>WFI Number 119260332</p>									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Program/Clinic</th> <th>First Date To Spend</th> <th>Last Date To Spend</th> <th>Date Transacted</th> </tr> </thead> <tbody> <tr> <td>092/02</td> <td>3/18/2016</td> <td>4/17/2016</td> <td></td> </tr> </tbody> </table>				Program/Clinic	First Date To Spend	Last Date To Spend	Date Transacted	092/02	3/18/2016	4/17/2016	
Program/Clinic	First Date To Spend	Last Date To Spend	Date Transacted								
092/02	3/18/2016	4/17/2016									
<p>PAY THE NC AUTHORIZED WIC VENDOR STAMPED HERE</p>		<p>PAY EXACTLY</p>									
<p>X Signature of participant, parent, guardian, or proxy obtained at time of transaction</p>		<p>MP</p>									

⑈ 119260332 ⑈ ⑆ 09191248 2⑆ ⑆ 801633 ⑈

Vendor stamp must be imprinted here (must be legible).

WIC customer must sign in presence of cashier.

"Pay Exactly" amount of purchased WIC food must be within MAP.

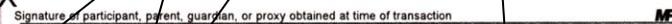
"Date Transacted" must be written on the FI prior to obtaining the WIC customer's signature.

WIC Manual Food Instrument

An example of a WIC manual FI. This is the approximate size printed on a lavender background.

"Family Name," "F-ID," "First Date To Spend" and "Last Date To Spend" will be handwritten here by the Local WIC Agency.

THIS DOCUMENT HAS HEAT SENSITIVE INK, MICROPRINT SIGNATURE LINE AND VISIBLE SECURITY WATERMARKS

 STATE OF NORTH CAROLINA WIC PROGRAM VALID ONLY FOR THE TYPES AND QUANTITIES OF WIC APPROVED FOODS AS LISTED BELOW: 1 Gallon Whole Milk 1 Containers Beans/Peas (1)-16 oz Bag Dry or (4) 15-16 oz Cans 1 Containers Juice 64 oz. 1 16 oz Whole Wheat Bread or Whole Grains 36 Ounces Breakfast Cereal 1 Dozen Grade "A" Large White Eggs END OF LIST...VOID IF ALTERED	 CUSTOMIZED PAYMENT SOLUTIONS	CITIZENS ALLIANCE BANK HOWARD LAKE BRANCH CLARK CITY, MN 56222 ACCOUNT #: 801633		75-1248 919
		Family Name/F-ID <i>Lucille Ball</i> <i>F1600000001</i>	WFI Number 118562455	
Program/Clinic 092/02		First Date To Spend <i>3/18/2016</i>	Last Date To Spend <i>4/17/2016</i>	Date Transacted
PAY THE NC AUTHORIZED WIC VENDOR STAMPED HERE		PAY EXACTLY		
		Redeemable only by an authorized WIC vendor VOID IF NOT DEPOSITED WITHIN 60 DAYS OF FIRST DATE TO SPEND		
X Signature of participant, parent, guardian, or proxy obtained at time of transaction				

118562455 09191248 801633

Vendor stamp must be imprinted here (must be legible).

WIC customer must sign in presence of cashier.

FI must be transacted on/or between the "First Date To Spend" and the "Last Date To Spend".

"Pay Exactly" amount of purchased WIC food must be within MAP.

"Date Transacted" must be written on the FI prior to obtaining the WIC customer's signature.

WIC Cash-value Voucher

An example of a WIC CVV. This is the approximate size printed on a light orange background.

THIS DOCUMENT HAS HEAT SENSITIVE INK, MICROPRINT SIGNATURE LINE AND VISIBLE SECURITY WATERMARKS



**STATE OF NORTH CAROLINA
WIC PROGRAM
CASH-VALUE VOUCHER**

Family Name/F-ID
**LUCILLE BALL
F1600000001**

Program/Clinic
092/02

CVV Number
119260331

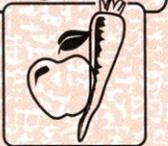
First Date To Spend
3/18/2016

Last Date To Spend
4/17/2016

Date Transacted

**Valid Only for WIC approved
Fruits and Vegetables
at authorized WIC vendors**

Fruits & Vegetables



PAY THE NC AUTHORIZED WIC VENDOR STAMPED HERE

PAY EXACTLY

\$

Not to Exceed
\$8.00

**VOID IF NOT DEPOSITED
WITHIN 60 DAYS OF FIRST
DATE TO SPEND**

SOLUTRAN CITIZENS ALLIANCE BANK
HOWARD LAKE BRANCH 75-1248
CLARA CITY, MN 56222 919
ACCOUNT #: 801633
Redeemable only by an authorized WIC vendor

X Signature of participant, parent, guardian, or proxy obtained at time of transaction

MP

|| 119260331 || || 091912482 || 801633 ||

CVV must be transacted on/or between the "First Date To Spend" and the "Last Date To Spend".

Vendor stamp must be imprinted here (must be legible).

"Pay Exactly" amount cannot exceed value of CVV.

WIC customer must sign in presence of cashier.

"Date Transacted" must be written on the CVV prior to obtaining the WIC customer's signature.

WIC Manual Cash-value Voucher

An example of a manual WIC CVV. This is the approximate size printed on a light orange background.

"Family Name," "F-ID," "First Date To Spend" and "Last Date To Spend" will be handwritten here by the Local WIC Agency.

THIS DOCUMENT HAS HEAT SENSITIVE INK, MICROPRINT SIGNATURE LINE AND VISIBLE SECURITY WATERMARKS

**STATE OF NORTH CAROLINA
WIC PROGRAM
CASH-VALUE VOUCHER**

Family Name/F-ID: Lucille Ball
F16 000000001

CVV Number: 118562454

Program/Clinic: 092/02 First Date To Spend: 3/18/2016 Last Date To Spend: 4/18/2016 Date Transacted: _____

PAY THE NC AUTHORIZED WIC VENDOR STAMPED HERE

PAY EXACTLY \$ _____

Not to Exceed \$8.00

VOID IF NOT DEPOSITED WITHIN 60 DAYS OF FIRST DATE TO SPEND

SIGNATURE LINE: _____
Signature of participant, parent, guardian, or proxy obtained at time of transaction

Valid Only for WIC approved
Fruits and Vegetables
at authorized WIC vendors



SOLUTRAN
CITIZENS ALLIANCE BANK
HOWARD LAKE BRANCH 75-1248
CLARA CITY, MN 56222 919
ACCOUNT #: 801633
Redeemable only by an authorized WIC vendor

⑈ 118562454 ⑈ ⑆ 09191248 2⑆ ⑆ 801633 ⑈

Vendor stamp must be imprinted here (must be legible).

WIC customer must sign in presence of cashier.

CVV must be transacted on/or between the "First Date To Spend" and the "Last Date To Spend".

"Date Transacted" must be written on the CVV prior to obtaining the WIC customer's signature.

"Pay Exactly" amount cannot exceed value of CVV.

Transaction Procedures at the Checkout Counter

Procedures for properly transacting FIs and CVVs are as follows:

- Have the customer separate the WIC foods obtained with the FI and the fruits and vegetables obtained with the CVV from other items being purchased.
 - Use only black or blue ink when completing a FI or CVV.
 - Check the “First Date to Spend” and “Last Date to Spend” to ensure the FI or CVV is being presented within the allowable transaction period of thirty (30) days. Enter the current month/day/year in the “Date Transacted” box.
 - Verify that the WIC customer obtains only the authorized WIC supplemental foods and quantities listed on the FI and only authorized fruits and vegetables with the CVV. The easiest way to do this with a FI is to check items in the order in which they are listed on the FI. If a WIC customer does not wish to obtain all of the items listed on the FI or the full dollar value of the CVV, total only the supplemental foods actually chosen.
 - Enter in the “Pay Exactly” box on the FI or CVV only the total amount of the current shelf prices, or less than the current shelf prices, for the WIC supplemental foods actually provided. Sales tax may not be charged for any WIC food transaction.
 - For FIs, the total amount must be within the MAP for that instrument applicable to the vendor’s peer group. If the “Pay Exactly” amount exceeds the MAP for that FI, the State WIC Program will make a direct deposit into the vendor’s bank account at the appropriate MAP.
 - For CVVs, the total amount cannot exceed the full dollar value printed on the voucher. However, a WIC customer may obtain more fruits and vegetables than the full dollar value of a CVV if the WIC customer pays the difference. The balance is subject to sales tax, unless the customer pays the balance with SNAP benefits (SNAP benefits are not taxed).
- Example:** A WIC customer presents a CVV for \$10.00; the amount of the fruits and vegetables they want to purchase equals \$10.75. The cashier should write \$10.00 in the “Pay Exactly” box of the CVV and the WIC customer should pay the \$0.75, plus sales tax, if applicable on the \$0.75.
- WIC customers are allowed to use multiple CVVs in one transaction if the vendor’s cash register system can accommodate this type of transaction.
 - For discount coupons, vendors are required to accept coupons from a WIC customer just as they would from a non-WIC customer.
 - The WIC customer must then sign the FI or CVV in the presence of the cashier.

Equitable Treatment and In-Store Promotions

Federal WIC regulations [7 CFR 246.12(h)(3)(iii)] require WIC-authorized vendors to offer WIC customers the same courtesies that are offered to non-WIC customers. Per WIC Policy Memorandum from the USDA, dated February 7, 2014, WIC authorized vendors may not treat WIC customers differently from non-WIC customers by excluding them from in-store promotions. This means that WIC-authorized vendors must offer in-store promotions to WIC customers that are offered to non-WIC customers and cannot disallow the use of in-store promotions in WIC transactions that are allowed in non-WIC transactions. Similarly, WIC-authorized vendors may not treat WIC customers differently by offering in-store promotions that are not offered to non-WIC customers. Failure to provide the same courtesies to WIC customers, as outlined above, is a violation of Federal WIC regulations, thereby constituting a vendor violation.

In-store promotions are defined collectively as incentive items, vendor discounts, and coupons. An incentive item is an item or service provided by a vendor to attract customers or encourage customer loyalty. Incentive items may include free beverages, foods, or baby products with the purchase of a certain WIC supplemental food.

A vendor discount is defined as an in-store promotion that reduces the price or increases the quantity of a given product. A vendor discount may also result from the use of a coupon. The most common types of vendor discounts* are as follows:

- 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

Cash back is not permitted as a result of vendor discounts in any WIC transaction. Also, please note that although there are different types of vendor discounts that can be used, the WIC customer is not responsible for paying tax which results from the use of the vendor discount, e.g., the value of a coupon. In addition, as with any WIC transaction, vendors should not return any change to the WIC customer.

Example: A WIC customer has a \$.50 discount coupon for a WIC approved cereal. The cashier should ring up the WIC foods and enter that total, less the \$.50, in the "Pay Exactly" box of the FI. Tax should not be charged nor change given to the WIC customer.

Value of WIC Item	Coupon Value	"Pay Exactly" Amount
\$9.80	.50¢	\$9.30

**Definitions for the most common vendor discounts may be found in the "Forms, Instructions and Resources" section of this manual.*

Redemption

Redemption is the process by which a vendor deposits for payment a FI or CVV transacted at that vendor, and the State WIC Program (or its financial agent) makes payment to the vendor for the FI or CVV.

1. Imprint the WIC vendor stamp in the “Pay the NC Authorized WIC Vendor Stamped Here” box on the front of the FI or CVV. Only the store’s WIC vendor stamp may be used. Use a black stamp pad and make sure the vendor number can be clearly read. The vendor stamp must be legible for the FI or CVV to be processed.
2. Imprint the vendor’s bank deposit stamp, or the vendor’s name, address, and bank account number on the back of the FI or CVV.

Deposit in the vendor’s bank only WIC Program FIs and CVVs transacted at the vendor’s store. To be accepted for payment, FIs and CVVs must be deposited at the vendor’s bank within 60 days of the “First Date to Spend” on the FI or CVV.

Food Instruments and Cash-value Vouchers: Automated Clearing House / Corrections / Replacements

Redeemed FIs and CVVs are reviewed using a visual and automated process. This is called an “edit.” FIs and CVVs with edit errors are rejected. Vendors should check all FIs and CVVs carefully prior to deposit to avoid having any returned to their bank without payment. If FIs or CVVs are returned to their bank, vendors may be charged overdraft or service fees.

Automated Clearing House (ACH)

Returned FIs that exceed the MAP will be paid through an Automated Clearing House (ACH) system. This is an automated deposit system that credits the vendor’s account at the MAP for each FI rejected for that reason. The original FIs or Image Replacement Documents (IRD) are still returned to the vendor. Vendors provide the bank account information using the Vendor Authorization Agreement for Direct Deposit (ACH credits) form. See the “Forms, Instructions and Resources” section of this manual for a copy of a Vendor Authorization Agreement for Direct Deposit (ACH Credits) form. Statements are sent weekly to vendors with ACH deposits. These statements provide details of each transaction.

Returned CVVs that exceed the full dollar value of the CVV will also be paid through the ACH system at the full dollar value of the voucher. The original CVV or IRD is returned to the vendor.

***Note:** Vendors cannot ask WIC customers for payment of rejected FIs or CVVs, regardless of the reason for nonpayment. Vendors, therefore, do not have the right to obtain information concerning any WIC customer’s identity, including address or telephone number.*

Vendor Corrections Prior to or After Deposit

A vendor can correct only two (2) types of errors prior to or after deposit: errors made in the “Pay Exactly” and/or “Date Transacted” box. The proper correction procedure is as follows:

1. Draw a single line through the error (strikethrough). Do not use correction fluid or tape.
2. Mark the error with your store cashier’s initials.
3. Clearly enter the corrected “Date Transacted” and/or the “Pay Exactly” amount beside the error.
4. Deposit the FI or CVV in the bank. It is not necessary to submit the FI or CVV to the Local WIC Program.
5. If correction is required for errors in the “Pay Exactly” box after deposit **and rejection** from the bank, the vendor should follow the steps listed in 1 through 4 above and redeposit. This deposit must still be made within 60 days from the “First Date to Spend.”
 - a. If redeposit cannot be made within 60 days from the “First Date to Spend,” the vendor should contact their Local WIC Program.

If FIs or CVVs are returned from the bank because the vendor stamp is missing or illegible, a vendor can imprint and redeposit. FIs returned for exceeding the MAP will be automatically paid at the MAP through the ACH system. CVVs returned for exceeding the full dollar value will be paid at the full dollar value listed on the CVV through the ACH system. Other rejected FIs or CVVs may be presented to the Local WIC Program for possible replacement. See the next section for more information.

Replacement of Food Instruments & Cash-value Vouchers

FIs and CVVs that do not clear the edit process are returned to the vendor’s bank, with a stamp indicating the reason for the return. The following messages may be stamped on rejected FIs or CVVs:

- Post Dated Void Do Not Redeposit
- Stale Dated Void Do Not Redeposit
- Missing Vendor Stamp - Stamp and Resubmit
- Encoding Error - Correct and Resubmit
- Altered \$ Amount Contact Local Program
- Over Max \$ Amount ACH May Apply – Void
- Date of Use Error – Void Do Not Redeposit

Replacement is the process by which the State WIC Program may initiate an ACH payment to a vendor to take the place of an FI or CVV with a correctable error(s) (see the “Guidelines for Determining Replacement Options” table on page 21). A replacement can be initiated for an FI or CVV if the “Pay Exactly” amount has been altered **and the vendor provides a receipt to verify the “Pay Exactly” amount**. The “Pay Exactly” amount for a replacement requested for an FI will be within the MAP applicable to that vendor’s peer group. The “Pay Exactly” amount for a replacement requested for a CVV cannot exceed the full dollar value of the CVV. If a vendor continues to request replacements, the Local WIC Program will monitor the vendor to verify prices. If a vendor’s prices exceed the current MAPs applicable to the vendor’s peer group, the vendor’s WIC Agreement is subject to termination.

Procedure for Replacement of Food Instruments & Cash-value Vouchers

The procedure used to replace FIs and CVVs for vendors is as follows:

- Vendors will submit the FI or CVV, along with the corresponding receipts, to the Local WIC Program, with an explanation for the request and the “Pay Exactly” amount for replacement. FIs will be replaced for no more than the MAPs listed for the food items within the vendor’s peer group. CVVs will be replaced for no more than the full dollar value listed on the CVV.
- The Local WIC Program submits the FIs and/or CVVs that are eligible for replacement to the Nutrition Services Branch, Attention: WIC Vendor Unit. FIs and CVVs that are eligible for replacement will be paid directly into the vendor’s bank, through the ACH system.

Vendors are encouraged to keep copies of FIs and CVVs that they submit for replacement. If the original FIs or CVVs are lost in the mail, copies must be provided to enable the Local WIC Program to consider replacing them.

Note: Each Local WIC Program establishes a policy for the frequency with which they will process replacement requests. The vendor must follow this policy.

Guidelines for Determining Replacement Options*

The following table illustrates the types of **errors that can be** corrected and the situations in which the Local WIC Program may request replacement of FIs and CVVs. Use the table below for replacement guidelines.

Food Instrument or Cash-value Voucher Errors		Vendor Can Correct	Local WIC Program Can Request Replacement
Date Transacted	Precedes “First Date to Spend”	No	No
	After “Last Date to Spend”	No	No
	Missing	No	No
“Pay Exactly” amount	Has been altered (discovered before deposit)	Yes (1)	Yes
	Has been altered and returned from the bank	Yes (2)	Yes (3)
	Exceeds the MAP	Yes (4)	No
	Exceeds value of CVV	Yes (5)	No
Vendor Stamp Imprint	Missing	Yes	No
Signature	Missing	No	No
Date vendor deposits a FI or CVV in the bank for the first time	Over 60 days but not exceeding 180 days from “First Date to Spend”	No	Requires State WIC Program approval (6)
	Over 180 days from “First Date to Spend”	No	No
Batches of FIs or CVVs totaling more than \$500	Over 60 days from “First Date to Spend”	No	Requires USDA approval
Encoding	Electronic file from bank shows a figure different from the correct “Pay Exactly” amount	Yes (7)	Yes (8)
FI or CVV is mutilated	Not applicable	No	Yes

- (1) If errors can be corrected prior to deposit using the “Vendor Corrections Prior to or After Deposit” procedures outlined on page 20.
- (2) If errors can be corrected using the “Vendor Corrections Prior to or After Deposit” procedures on page 20 and re-deposited within 60 days from the “First Date to Spend.” If not, vendor should contact Local WIC Program.
- (3) If FI or CVV is returned from the bank stamped “Pay Exactly Altered”, the Local WIC Program can request replacement if the vendor provides a receipt to verify the “Pay Exactly” amount.

- (4) If the FI is corrected, **prior to deposit**, using the “Vendor Corrections Prior to or After Deposit” procedures outlined on page 20 for no more than the MAP for vendor’s peer group.
- (5) If the CVV is corrected, **prior to deposit**, using the “Vendor Corrections Prior to or After Deposit” procedures outlined on page 20 for no more than the full dollar value of the CVV.
- (6) Vendor must not have submitted the FIs or CVVs for replacement on two (2) separate occasions within the preceding twelve (12) months and the total value of the FIs or CVVs does not exceed five hundred dollars (\$500).
- (7) Vendor may work with their bank to correct the error in the electronic file encoding that was submitted originally and resubmit the FIs or CVVs if within sixty (60) days from the “First Date to Spend.” If more than sixty (60) days from “First Date to Spend,” vendor should contact their Local WIC Program.
- (8) Local WIC Program may request replacement of FIs or CVVs if more than sixty (60) days from the “First Date to Spend” and the corrected “Pay Exactly” amount of the FI or CVV does not exceed the applicable MAP for the FI or the full dollar value of the CVV after being rejected by the bank. If the corrected “Pay Exactly” amount exceeds the applicable MAP or full dollar value, it will be replaced at the MAP or full dollar value.

** Note: Approval for replacements is contingent upon the date the FIs/CVVs are submitted by the vendor to the Local WIC Program and the availability of grant funding for the federal fiscal year.*

Vendor Monitoring

The State WIC Program is required by federal WIC regulation to monitor its vendors for compliance with WIC Program requirements. Vendors are primarily monitored for program compliance through routine monitoring and compliance investigations. The State WIC Program may also use other means to determine a vendor’s compliance with Program requirements.

Routine Monitoring

Routine monitoring is overt, on-site monitoring during which program representatives identify themselves to vendor personnel. Routine monitoring is conducted by the Local WIC Program staff. The dates of monitoring visits are unannounced.

A routine monitoring visit includes, but is not limited to, the following:

- Review of infant formula invoices, receipts, copies of purchase orders, and any other proofs of purchase;
- Price checks: Verify that the current shelf prices of all WIC supplemental foods are marked on the foods or are posted on the shelf or display case at all times;
- Review of transacted FIs and CVVs on hand in the store;
- Treatment of WIC customers;
- Food items obtained: Determine if the vendor permits WIC customers to get non-WIC food items with the WIC FI or CVV;
- Inventory of WIC supplemental foods: Determine if the vendor has the required minimum inventory of North Carolina approved WIC supplemental foods in the store for purchase;
- Address problems, customer service issues, comments, and questions expressed by the vendor. This is also an opportunity for the vendor to receive training;
- Quality (freshness): Verify that the WIC supplemental foods in the store for purchase are within

the manufacturer's expiration date and ensure that the supplemental foods are fresh and of good quality; and

- Verify that the vendor does not use the "WIC" acronym or logo in the store name, advertising, promotional literature, or on WIC supplemental food stickers, tags, or labels.

Local WIC Program staff uses a WIC Vendor Monitoring Report (DHHS 2925) located in the "Forms, Instructions, and Resources" section of this Vendor Manual to document these visits. If violations are found, the vendor must take steps to correct the violation(s), such as:

- Immediately stock in the store for purchase the required minimum inventory of WIC supplemental foods;
- Immediately remove expired WIC supplemental foods from the shelf; and
- Immediately mark the current shelf prices of all WIC supplemental foods on the foods or post the prices on the shelf or display case.

If violations are cited, the Local WIC Program will re-monitor the vendor. Failure to correct violations cited during routine monitoring visits can lead to the disqualification of the vendor from the WIC Program.

Compliance Investigations

The State WIC Program also monitors vendors by conducting compliance investigations. Compliance buys and inventory audits are the two (2) primary types of compliance investigations.

A compliance buy investigation is a covert, on-site investigation in which a representative of the WIC Program poses as a participant, parent, proxy, or caretaker of an infant or child participant and transacts one or more FIs or CVVs. During the visits, the representative does not reveal that he/she is from the WIC Program.

An inventory audit is the examination of a vendor's food invoices, receipts, copies of purchase orders, and any other proofs of purchase to determine whether a vendor has purchased sufficient quantities of supplemental foods to provide participants the quantities specified on FIs redeemed by the vendor during a given period of time. These records must be retained by the vendor for three (3) years or until any audit pertaining to these records is resolved, whichever is later. **Failure or inability to provide these records for an inventory audit or providing false records for an inventory audit carries a three-year disqualification from the WIC Program.** All purchase documentation 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 different from the date of purchase; and 3) a description of each WIC supplemental food item purchased, including brand name, unit size, type or form, and quantity.

Vendor Claims

When the State WIC Program determines the vendor has committed a vendor violation that affects payment to the vendor, the State WIC Program will deny payment or assess a claim. The State WIC Program has the authority to deny payment or assess a claim in the amount of the full purchase price of each FI or CVV affected by the vendor violation. Denial of payment or assessment of a claim may be

based on violations detected through inventory audits, compliance buy investigations, or any other means the State WIC Program deems necessary to determine WIC Program compliance. Denial of payment by the State WIC Program or payment of a claim by the vendor for a vendor violation does not negate any other sanctions applicable to the vendor for the violation.

Example: Payment of a claim by the vendor for a vendor violation does not negate a disqualification period that is also applicable to the vendor for the violation. The vendor must pay the claim and be disqualified.

Vendors must reimburse the State WIC Program in full or agree to a repayment plan with the State WIC Program within thirty (30) days of written notification of a claim. If a vendor fails to reimburse the State WIC Program in full or agree to a repayment plan within thirty (30) days of written notification of a claim, the WIC Vendor Agreement will be terminated. Vendor claims are not subject to appeal other than the opportunity to justify or correct as permitted by 7 CFR 246.12 (k)(3). Additionally, a vendor applicant cannot be authorized if any of the vendor applicant's owners, officers, or managers currently has, 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.

Sanction System and Appeals

The NC WIC Program sanction system is predominantly a pattern-based sanction system that requires disqualification of a vendor from the WIC Program for Program violations. WIC Program violations include both federal and state-established violations.

The disqualification periods for federal violations range from one (1) year to permanent disqualification. A vendor's disqualification for federal violations may also jeopardize the vendor's Supplemental Nutrition Assistance Program (SNAP) authorization. The disqualification periods for state violations range from sixty (60) days to one (1) year and do not affect a vendor's SNAP authorization. Each violation has a required disqualification period for a specified number of occurrences.

Example 1: Two (2) occurrences of vendor overcharging within a twelve (12)-month period require a three (3)-year disqualification.

Example 2: Three (3) occurrences of failure to stock the required minimum inventory within a twelve (12)-month period require a 180-day disqualification.

Please refer to the "Vendor Sanction System" on pages 25-26 for the number of occurrences and the required disqualification period for each violation. The State WIC Program will provide the vendor written notification of an initial violation that requires a pattern of occurrences to impose a disqualification, unless the State WIC Program determines that notifying the vendor would compromise an investigation. This notice requirement does not apply to inventory audits and to violations that require disqualification after a single occurrence. A disqualified vendor must return its vendor stamp to the Local WIC Program and can no longer accept FIs or CVVs.

Vendor applicants and authorized vendors may appeal certain adverse actions taken by the State WIC Program. For those adverse actions that may be appealed, the State WIC Program will provide the vendor or vendor applicant information on how to initiate an appeal in the State WIC Program's written notice of adverse action.

VENDOR SANCTION SYSTEM
FEDERAL MANDATORY VENDOR SANCTIONS

VIOLATIONS		DISQUALIFICATION PERIOD
A.	A vendor criminally convicted of trafficking in food instruments or cash-value vouchers or selling firearms, ammunition, explosives, or controlled substances (as defined in 21 USC 802) in exchange for food instruments or cash-value vouchers. A vendor is not entitled to receive any compensation for revenues lost as a result of such violation.	Permanent
B.	One occurrence of buying or selling food instruments or cash-value vouchers for cash (trafficking) or one occurrence of selling firearms, ammunition, explosives, or controlled substances (as defined in 21 USC 802) in exchange for food instruments or cash-value vouchers.	6 years
C.	One occurrence of the sale of alcohol or alcoholic beverages or tobacco products in exchange for food instruments or cash-value vouchers.	3 years
D.	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 a 60-day period. The six or more days do not have to be consecutive days within the 60-day period. Failure or inability to provide records or providing false records required under 10A NCAC 43D.0708(30) for an inventory audit shall be deemed a violation of 7 C.F.R.246.12(l)(1)(iii)(B) and 10A NCAC 43D.0710(a)(1).	3 years
E.	Two occurrences of vendor overcharging within a 12-month period.	3 years
F.	Two occurrences within a 12-month period of receiving, transacting or redeeming food instruments or cash-value vouchers outside of authorized channels, including the use of an unauthorized vendor or an unauthorized person.	3 years
G.	Two occurrences within a 12-month period of charging for supplemental food not received by the WIC customer.	3 years
H.	Two occurrences within a 12-month period of providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances as defined in 21 USC 802, in exchange for food instruments or cash-value vouchers.	3 years
I.	Three occurrences within a 12-month period of providing unauthorized food items in exchange for food instruments or cash-value vouchers, including charging for supplemental foods provided in excess of those listed on the food instrument.	1 year
J.	2nd sanction, excluding sanctions for trafficking convictions and SNAP disqualifications.	Double Sanctions
K.	3rd sanction, excluding sanctions for trafficking convictions and SNAP disqualifications.	Double Sanctions and no CMP option
L.	Disqualification from SNAP	Same length of time as the SNAP disqualification and may begin at a later date than the SNAP disqualification

Note: Vendor overcharging is intentionally or unintentionally charging more for supplemental food provided to a WIC customer than to a non-WIC customer or charging more than the current shelf price for supplemental food provided to a WIC customer.

Charging over the MAP is **NOT** vendor overcharging, so long as the vendor charges the WIC customer no more than it would have charged a non-WIC customer or no more than the current shelf price, whichever is less, for the supplemental foods provided. Additionally, a vendor can charge less than the MAP and still overcharge the WIC customer if the vendor charges more for the supplemental food provided to the WIC customer than to the non-WIC customer or charges more than the current shelf price for the supplemental food provided to the WIC customer.

STATE VENDOR SANCTIONS

VIOLATIONS		DISQUALIFICATION PERIOD
A.	Two occurrences within a 12-month period of discrimination on the basis of WIC participation as referenced in 10A NCAC 43D.0708(38).	1 year
B.	Three occurrences within a 12-month period of failure to properly transact a WIC food instrument or cash-value voucher by not completing the date and purchase price on the WIC food instrument or cash-value voucher before obtaining the WIC customer's signature, by not obtaining the WIC customer's signature in the presence of the cashier, or by accepting a WIC food instrument or cash-value voucher prior to the "Issue Date" (First Date to Spend) or after the "Participant Must Use By" (Last Date to Spend) dates on the food instrument or cash-value voucher.	1 year
C.	Three occurrences within a 12-month period of requiring a cash purchase to transact a WIC food instrument or cash-value voucher.	1 year
D.	Three occurrences within a 12-month period of contacting a WIC customer in an attempt to recoup funds for a food instrument or cash-value voucher or contacting a WIC customer outside the store regarding the transaction or redemption of a WIC food instrument or cash-value voucher.	270 days
E.	Three occurrences within a 12-month period of failure to provide program-related records referenced in 10A NCAC 43D.0708(30) when requested by WIC staff, except as provided in 10A NCAC 43D.0708(30) and 10A NCAC 43D.0710(a)(1) for failure or inability to provide records for an inventory audit.	180 days
F.	Three occurrences within a 12-month period of failure to provide the information referenced in 10A NCAC 43D.0708(31) when requested by WIC staff.	180 days
G.	Three occurrences within a 12-month period of failure to stock the minimum inventory specified in 10A NCAC 43D.0708(24).	180 days
H.	Three occurrences within a 12-month period of stocking WIC supplemental foods outside of the manufacturer's expiration date.	90 days
I.	Three occurrences within a 12-month period of failure to allow monitoring of a store by WIC staff.	90 days
J.	Five occurrences within a 12-month period of failure to submit a WIC Price List as required by 10A NCAC 43D.0708(32).	90 days
K.	Three occurrences within a 12-month period of failure to mark the current shelf prices of all WIC supplemental foods on the foods or have the prices posted on the shelf or display case.	60 days
L.	Five occurrences within a 12-month period of requiring the purchase of a specific brand when more than one WIC supplemental food brand is available.	60 days

Forms, Instructions, and Resources

The following section includes WIC Vendor form copies, form instructions, and sample letters from the vendor to their bank. A list of the current NC WIC Program Approved Foods and the current formula products may be obtained at your Local WIC Program or found at the Nutrition Services Branch web site, www.nutritionnc.com/wic/vendor.htm.

- N.C. WIC Vendor Application (DHHS 3282) & Instructions
- WIC Vendor Agreement (DHHS 2768) & Instructions
- Terms of Vendor Agreement
- WIC Vendor Agreement for Free-standing Pharmacies (DHHS 2768P) & Instructions
- Terms of Vendor Agreement for Free-standing Pharmacies
- WIC Price List (DHHS 2766)
- WIC Price List for Free-standing Pharmacies (DHHS 2766-P)
- Above-50-Percent Vendor Self-Declaration Form
- Cost-Containment Exemption Form for Free-standing Pharmacy Vendors
- Vendor Authorization Agreement for Direct Deposit (ACH Credits)
- WIC Vendor Monitoring Report (DHHS 2925)
- N.C. WIC Vendor Information Update (DHHS 779) & Instructions
- Sample Letters from Vendor to Bank (Existing Vendor)
- Sample Letters from Vendor to Bank (New Vendor)
- WIC Vendor Management Customer Service Issues Form
- Helpful WIC Hints / Routine Monitoring, Compliance Investigations, and Sanctions
- NC Approved Sources (Suppliers) of Infant Formula, WIC-Eligible Nutritionals (Medical Foods), and Exempt Formula
- Food Sales Fact Sheet
- Vendor Discounts

N. C. WIC VENDOR APPLICATION

NOTE:

- A. Complete Application by Store Owner/Officer only, using type or blue/black ink (print).
- B. Return to Local WIC Agency.

1. Store Name: _____ Phone No: (____) _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
2. Street Address: _____
City: _____ County: _____ State: _____ Zip: _____
3. Directions to Store (from main Hwy, Rd, etc.): _____

4. Does the Store have internet access / capabilities? Yes No
5. Email Address: _____
6. SNAP Permit Number _____ (7 digits only)
7. Federal Tax ID Number _____
8. Store Classification (check one):
 Retail Large Chain Retail Independent/Convenience Free-Standing Pharmacy Commissary
9. Type of Ownership (check one): Individual Partnership Limited Partnership Corporation LLC
Corporate/Company Name (if LLC, Inc., or LP): _____
Physical Address of Regional/Corporate Headquarters: _____
_____ Phone No: (____) _____
10. Store Operating Hours: Monday _____ AM / PM - _____ AM / PM Friday _____ AM / PM - _____ AM / PM
(Circle AM or PM) Tuesday _____ AM / PM - _____ AM / PM Saturday _____ AM / PM - _____ AM / PM
Wednesday _____ AM / PM - _____ AM / PM Sunday _____ AM / PM - _____ AM / PM
Thursday _____ AM / PM - _____ AM / PM
11. Amount of Store's Annual SNAP Sales: \$ _____ . _____ Actual Projected
12. Amount of Store's Annual Food Sales: \$ _____ . _____ Actual Projected
13. Total Number of Registers in Store (Including U-Scans): _____
Number of Registers with Scanning Devices: ____ Number of Scanners That Identify WIC-Authorized Foods: ____
14. Name of Infant Formula Source(s): _____
(Refer to list of authorized sources)
15. Name of Supplier(s) for Other WIC Authorized Foods: _____

Store Name: _____

Vendor #: _____

16. Do you expect that more than 50% of your annual food sales revenue will be from WIC sales? Yes No
17. Do you currently own a WIC-authorized store where WIC sales are above 50% of the total annual food sales?
 Yes No
18. Percentage (%) of total food sales expected to be:
WIC _____ % SNAP _____ % Cash _____ % Credit/Debit _____ %
19. Is WIC authorization required for the store to open for business? Yes No
20. Do you have inventory invoices available for foods purchased and currently stocked in your store? Yes No
21. How many months of inventory invoices are available? _____
22. Do you currently have in stock the required minimum inventory? Yes No
23. Store sales include (check all that apply):
 Gasoline Special Formula Household Products Bread Fresh Vegetables/Fruits
 Canned Vegetables/Fruits Beef Poultry Pork Sandwich Meats Tofu Rice Baby Foods
24. Store Manager Name: Mr. _____
Mrs. _____
Ms. _____
(Circle title) (First) (Full Middle Name) (Last)
25. Is the Store Manager the primary contact person for the store? Yes No
If not, provide contact name and phone: _____
26. Has the manager ever been convicted of a misdemeanor involving fraud, theft or misuse of state or federal funds, or any felony? Yes No If yes, explain and give dates: _____
27. How long has the store (under its current name or a former name) physically operated at the present site?
_____ years _____ months If not applicable, provide opening date: _____
28. Has the store ever operated under another name and/or at a different location? Yes No
If yes, former name(s) and/or location(s) of store: _____
29. Has the store (under its current name or a former name) ever been disqualified or assessed a monetary penalty by the WIC program? Yes No
If yes, explain and give dates: _____
30. Does the owner(s) (includes corporate owners) have a financial interest in a store that is currently disqualified, was previously disqualified, or assessed a monetary penalty by the WIC program? Yes No
If yes, explain and give dates: _____

Store Name: _____

Vendor #: _____

31. Has the owner(s) (includes corporate owners) ever had a financial interest in a store that was disqualified or assessed a monetary penalty by the WIC program? Yes No

If yes, explain and give dates: _____

32. Has the store (under its current name or a former name) ever been withdrawn, disqualified, or assessed a civil money penalty from the Supplemental Nutrition Assistance Program (SNAP)? Yes No

If yes, explain and give dates: _____

33. Does the owner(s) (includes corporate owners) have a financial interest in a store that is currently, or has been previously, withdrawn, disqualified, or assessed a civil money penalty by the Supplemental Nutrition Assistance Program (SNAP)? Yes No

If yes, explain and give dates: _____

34. Has the owner(s) (includes corporate owners) ever had a financial interest in a store that was withdrawn, disqualified, or assessed a civil money penalty by the Supplemental Nutrition Assistance Program (SNAP)? Yes No

If yes, explain and give dates: _____

35. 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 and give dates: _____

OWNERSHIP DATA (For stores under Corporate Agreement with State WIC Agency, skip this section):

Complete the following information for each owner and officer. Use Page 3a if you have more than one owner or officer.

Mr.
Mrs.

Owner/Officer Name: Ms. _____ Title (If Officer): _____
(Circle title) (First) (Full Middle) (Last)

Residential Address: _____

City: _____ State: _____ Zip: _____

Home Telephone No.: () _____ Percentage of Business/Shares Owned: _____ %

Has the owner / officer ever been convicted of a misdemeanor involving fraud, theft or misuse of state or federal funds, or any felony? Yes No If yes, explain and give dates: _____

Is the owner(s) related to the store's previous owner(s) / officer(s) by blood or marriage? Yes No

If yes, list name & relationship: _____

Does the owner (including a corporate owner) own any other stores(s)? Yes No If yes, please list name, city & state, and WIC vendor number (if authorized by WIC): _____

Store Name: _____

Vendor #: _____

OWNERSHIP DATA (For stores under Corporate Agreement with State WIC Agency, skip this section):

Complete the following information for each owner and officer. Use this page (Page 3a) **only if** you have more than one owner/officer.

Mr.
Mrs.
Owner / Officer Name: Ms. _____ Title (If Officer): _____
(Circle title) (First) (Full Middle) (Last)

Residential Address: _____
City: _____ State: _____ Zip: _____

Home Telephone No.: () _____ Percentage of Business/Shares Owned: _____ %

Has the owner / officer ever been convicted of a misdemeanor involving fraud, theft or misuse of state or federal funds, or any felony?

Yes No If Yes, explain and give dates: _____

Is the owner related to the store's previous owner(s) / officer(s) by blood or marriage? Yes No

If Yes, list name & relationship: _____

Does the owner (including a corporate owner) own any other stores(s)? Yes No If Yes, please list name, city & state, and WIC vendor number (if authorized by WIC): _____

Mr.
Mrs.
Owner / Officer Name: Ms. _____ Title (If Officer): _____
(Circle title) (First) (Full Middle) (Last)

Residential Address: _____
City: _____ State: _____ Zip: _____

Home Telephone No.: () _____ Percentage of Business/Shares Owned: _____ %

Has the owner / officer ever been convicted of a misdemeanor involving fraud, theft or misuse of state or federal funds, or any felony?

Yes No If Yes, explain and give dates: _____

Is the owner related to the store's previous owner(s) / officer(s) by blood or marriage? Yes No

If Yes, list name & relationship: _____

Does the owner (including a corporate owner) own any other stores(s)? Yes No If Yes, please list name, city & state, and WIC vendor number (if authorized by WIC): _____

Mr.
Mrs.
Owner / Officer Name: Ms. _____ Title (If Officer): _____
(Circle title) (First) (Full Middle) (Last)

Residential Address: _____
City: _____ State: _____ Zip: _____

Home Telephone No.: () _____ Percentage of Business/Shares Owned: _____ %

Has the owner / officer ever been convicted of a misdemeanor involving fraud, theft or misuse of state or federal funds, or any felony?

Yes No If Yes, explain and give dates: _____

Is the owner related to the store's previous owner(s) / officer(s) by blood or marriage? Yes No

If Yes, list name & relationship: _____

Does the owner (including a corporate owner) own any other stores(s)? Yes No If Yes, please list name, city & state, and WIC vendor number (if authorized by WIC): _____

Store Name: _____

Vendor #: _____

To the best of my knowledge, all of the above answers and the information contained on the accompanying WIC Price List (DHHS 2766 or 2766-P) are correct. The prices are the **actual, current, and highest shelf prices for WIC-approved foods currently stocked**. I understand that by signing below, I will be bound by WIC Program regulations and policies including, but not limited to:

1. Attending vendor training sessions;
2. Training employees and being responsible for their actions regarding WIC Program procedures;
3. Submitting accurate price lists & market-basket price lists of WIC foods to the WIC Program upon request;
4. Being monitored, investigated and/or audited periodically; and
5. Completing and complying with all items in the attached WIC Vendor Agreement.

I understand that this is an application to be a WIC vendor and does not constitute an approved agreement with the N.C. WIC Program. I understand that supplying false information could lead to denial or disqualification from the WIC Program.

Owner/Officer Name (Please Print): _____ Title (If Officer): _____

Owner/Officer Signature: _____ Date: _____

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](http://www.ascr.usda.gov/complaint_filing_cust.html), (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by mail (U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410); fax (202- 690-7442); or e-mail (program.intake@usda.gov)

LOCAL WIC AGENCY USE ONLY - Application reviewed by (please print):

Name: _____ Title: _____ Date: _____

Local WIC Agency: _____ Program Number: _____
(no abbreviations)

STATE WIC AGENCY USE ONLY – Application reviewed by (please print):

Name: _____ Title: _____ Date: _____

FOR USE BY N.C. WIC PROGRAM

Purpose:

This Vendor Application form is made available by Local WIC Agencies to any NC retailer who wishes to participate in the food delivery system of the N.C. WIC Program.

Preparation:

The owner/officer of the store seeking WIC authorization should complete this form and return it to the Local WIC Agency.

Retention and Disposition:

This form must be retained in accordance with records retention requirements of the North Carolina Department of Cultural Resources and the North Carolina Department of Health and Human Services.

Reorder:

This form may be obtained by Local WIC Agencies from (Use DHHS 2507):

Nutrition Services Branch
1914 Mail Service Center
Raleigh, NC 27699-1914
Courier 54-42-01

**INSTRUCTIONS FOR COMPLETION OF THE
NC WIC VENDOR APPLICATION (DHHS 3282)**

REMINDERS:

1. Be sure to make note of the "NOTE" section on page 1 and comply with A. thru C. **All paperwork is to be sent through your Local WIC agency; otherwise, the approval process is held up.**
2. **Do not use "N/A"** on this form to answer questions.
3. **Send only white copies of the form to Raleigh.**
4. **Do not use** correction fluid or tape to correct errors. To correct errors, draw a straight line (only one) through the error and initial it.

PAGE 1 of 4:

Vendor Stamp Imprint box in the upper right corner of page is to be left blank.

Question 1 - Full name of the store is required. **Do not** use corporate name of business. The store's phone number and mailing address are required. (The name of the store, phone number, and mailing address must be consistent with the vendor agreement.)

Question 2 - Provide the physical address for the store. Provide the street, city, county, state, and zip code of the store. Do not use "same as above".

Question 3 – Provide clear directions to store from a major highway or interstate.

Question 4 – Check whether or not the store has internet access. Answer yes or no.

Question 5 – Provide email address, if store has one.

Question 6 - Provide your seven-digit Supplemental Nutrition Assistance Program (SNAP) permit number.

Question 7 - Provide your store's Federal Tax ID number

Question 8 - Only one (1) block must be checked. Classification must be consistent with the vendor agreement. Check appropriate block that applies to store's setup. Refer to list below of store classifications with brief definitions to help decide the store classification:

1. RETAIL LARGE CHAIN STORE: Chain owned or operated by a corporation, partnership, cooperative association, or other business entity that has 20 or more stores owned or operated by one business entity (Full service grocery, selling fresh produce and meat).
2. RETAIL INDEPENDENT/CONVENIENCE STORE: Owned or operated by an individual, corporation, partnership, cooperative association, or other business entity that has 19 or less stores owned or operated by one business entity. These stores may buy groceries from privately owned wholesaler or larger grocery stores.
3. FREE-STANDING PHARMACY: Supplies only exempt infant formula and WIC eligible medical foods. This type of pharmacy does not operate within another retail store. This includes pharmacies that are chain stores and pharmacies participating under a WIC corporate agreement.
4. COMMISSARY: Military-based stores.
5. WIC ONLY STORE: Sells only WIC-approved foods and have no cash transactions.
6. PREDOMINANTLY WIC VENDOR (PWV) – Derives more than fifty (50) percent of its annual food sales revenue from WIC food instruments.

Question 9 - Check only one (1) type of ownership, using the one most appropriate. Example: If two people own a business and the store is incorporated or an LLC, the type of store is corporation or LLC even though there is a partnership formed. Provide the name, physical address and phone number of the corporation or LLC the store is registered under.

Question 10 - Provide all the hours that the store is open for business. Circle AM or PM for opening and closing times. Remember that 12PM is noon and 12AM is midnight.

Question 11 – Amount of Store’s Annual SNAP Sales: Provide the yearly dollar amount of SNAP sales. **If this is a new store**, projected sales must be given based on the business conducted prior to purchase.

Question 12 - Annual Food Sales: Provide the yearly dollar amount of food sales only. **If this is a new store**, projected sales must be given based on the business conducted prior to purchase.

Question 13 – Provide the total number of cash registers in the store, including U-Scans. Provide the number of cash registers with scanning devices in the store. Provide the number of scanners that identify WIC-authorized foods in the store. Scanners should be able to detect non-WIC items and not allow those items to be purchased on a WIC transaction.

Question 14 – Provide the name of supplier(s) for all infant formulas. Refer to list of authorized suppliers.

Question 15 - Provide the name of supplier(s) for all WIC authorized food products.

PAGE 2 of 4:

Provide store name in the space provided in the upper right corner of page. The store name must be consistent throughout the application.

Question 16 – Check whether the store expects to derive more than fifty-percent of the store’s annual revenue from the sale of food items through WIC transactions. Answer yes or no.

Question 17 – Check whether you own a WIC authorized store where the WIC sales are above 50% of the total annual food sales. Answer yes or no.

Question 18 - Record what percentage of total food sales is expected to be from WIC, SNAP, Cash, and Credit/Debit sales. These should all total up to 100%.

Question 19 – Check whether WIC authorization is required in order for the store to open for business. Answer yes or no.

Question 20 – Check whether there are inventory invoices available for food items purchased and currently stocked in the store. Answer yes or no.

Question 21 – Record how many months of inventory invoices that are available.

Question 22 – Check whether the store currently has the required minimum inventory in stock. Answer yes or no.

Question 23 – Check **all** boxes that apply to what the store sales include.

Question 24 - Circle title of courtesy (“Mr.,” “Mrs.,” or “Ms.”) for store manager. The full name (first, middle, and last) of store manager is required. **Do not** use initials. Document if there is no middle name by writing “NMN”.

Question 25 – Check whether the store manager is the primary contact person for the store. Answer yes or no.

Question 26 - Check whether the store manager has ever been convicted of a misdemeanor involving fraud, theft, or misuse of state or federal funds, or any felony. Answer yes or no. If "yes" is checked, a detailed explanation is required from store manager with dates of occurrence.

Question 27 - Provide how many years and months the store has been in business at the present site. If the store has been in business less than a month, provide the date the store opened for business.

Question 28 – Check whether the store has operated under another name and/or at a different location. Answer yes or no. If "yes" is checked, provide the old name and address of the store.

Question 29 – Check whether the store, under its current name or a former name, has ever been disqualified or assessed a monetary penalty by the WIC program. Answer yes or no. If "yes" is checked, a detailed explanation, including what WIC incident occurred with dates of occurrence, is required.

Question 30- Check whether the owner (includes corporate owners) has a financial interest in a store that is currently disqualified, was previously disqualified, or assessed a monetary penalty by the WIC program. Answer yes or no. If "yes" is checked, a detailed explanation, with dates of occurrence, is required.

PAGE 3 of 4:

Provide store name in the space provided in the upper right corner of page. The store name must be consistent throughout the application.

Question 31 – Check whether the owner(s) (includes corporate owners) has ever had a financial interest in a store that was disqualified or assessed a monetary penalty by the WIC program. Answer yes or no. If "yes" is checked, a detailed explanation, with dates of occurrence, is required.

Question 32 – Check whether the store (under its current name or a former name) has ever been withdrawn, disqualified, or assessed a civil money penalty from SNAP. Answer yes or no. If "yes" is checked, a detailed explanation, with dates of occurrence, is required.

Question 33 – Check whether the owner(s) (includes corporate owners) has a financial interest in a store that is currently, or has been previously, withdrawn, disqualified, or assessed a civil money penalty by SNAP. Answer yes or no. If "yes" is checked, a detailed explanation, with dates of occurrence, is required.

Question 34- Check whether the owner(s) (includes corporate owners) has ever had a financial interest in a store that was withdrawn, disqualified, or assessed a civil monetary penalty by SNAP. Answer yes or no. If "yes" is checked, a detailed explanation, with dates of occurrence, is required.

Question 35 – Check whether any of the vendor applicant's current owners, officers, or managers have been convicted of or had a civil judgment entered against them for any activity indicating a lack of business integrity. This includes, but is 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. Answer yes or no. If "yes" is checked, a detailed explanation is required of all owners, officers, and managers who answer "yes". If additional space for the explanation is necessary, attach a separate sheet of paper, with the additional documentation referring back to this question.

OWNERSHIP DATA SECTION

PLEASE MAKE A NOTE OF THE FOLLOWING:

- Only one (1) name per line.
- This section must be filled out for all stores except stores under corporate agreement with the State.
- Corporate stores not under corporate agreement with the State must provide the same information on officers.
- If there is only one owner, only one section has to be filled in. If there is more than one owner, use page 3a.
- **Do not** send in page 3a blank if there is not more than one owner.

This section is used to document the following owner information:

NAME - Circle title of courtesy ("Mr.", "Mrs.", or "Ms.") for owner/officer. The full name (first, middle, and last) of owner/officer is required. Document if there is no middle name by writing "NMN".

TITLE - Provide the title of owner/officer. It is not necessary for the owner of a non-corporate store to document a title.

RESIDENTIAL ADDRESS- The complete home address of the owner/officer is required.

HOME TELEPHONE NO. - The home telephone number, including area code, of the owner/officer is required.

PERCENTAGE OF BUSINESS/SHARES OWNED: If individually owned or a partnership, provide percentage owned by each owner. Combined percentages must total 100%. If officers/shareholders are listed, provide percent or number of shares owned.

Check whether the owner/officer has ever been convicted of a misdemeanor involving fraud, theft, or misuse of state or federal funds, or any felony. Answer yes or no. If "yes" is checked, a detailed explanation, with dates of occurrence, is required.

Check whether the owner (includes corporate owner) owns any other store(s). Answer yes or no. If "yes" is checked, list the name of the store(s), the city they are located in and the vendor number, if WIC-authorized.

PAGE 3a of 4:

Provide store name in the space provided in the upper right corner of page. The store name must be consistent throughout the application.

Additional Ownership Data page, if the store has more than one owner or officer.

PAGE 4 of 4:

Provide store name in the space provided in the upper right corner of page. The store name must be consistent throughout the application.

Page 4 must be signed and dated by the store **owner or officer**. If an officer signs the application, they must also provide their title. All of this documentation must be legible.

"FOR LOCAL AGENCY USE ONLY" section must be completely filled in by person reviewing application.

INSTRUCTIONS FOR COMPLETION OF THE WIC VENDOR AGREEMENT (DHHS 2768)

PURPOSE:

This Agreement authorizes retail vendors to accept N.C. WIC food instruments and cash-value vouchers in compliance with federal and state WIC Program laws, regulations, rules, and policies.

INSTRUCTIONS:

1. Form must be completed in blue or black ink (please print) or typed.
2. Do not use correction fluid/tape (all copies must look the same). Strike through errors with a single line, initial and date the error.
3. Only the current form effective through September 30, 2018, will be accepted.

TOP OF AGREEMENT:

- The name of the store and store number (if part of a chain) must be printed on the first line. Do not use the corporate name of the business.
- The name (no abbreviations) of the Local WIC Agency must be printed on the second line.

VENDOR (LEFT) SECTION OF AGREEMENT:

- Provide the Vendor Stamp imprint (leave blank, if a new vendor) in box on each carbon page.
- Signature of owner and signature date are required.
- Printed name and title of owner are required.
- Name of store is required (name must be the same as name at top of form). Do not use the corporate name of the business.
- Only mailing address for store is required (including city, state, and zip code).
- Provide phone number, including the area code, for the store.
- **The vendor owner/officer that signs the Agreement must also initial by the statement at the bottom of this section that they have received and will comply with the Terms of Vendor Agreement.**
- After completion of the left side of the Agreement, the Vendor retains the Pink copy. The Vendor must submit the White, Yellow, and Green copies to the Local WIC Agency.

LOCAL WIC AGENCY AUTHORIZATION (RIGHT TOP) SECTION OF AGREEMENT:

- Signature of Local WIC Agency authorized representative and the date signed are required.
- Printed name and title of Local Agency authorized representative are required.
- Name of Local WIC Agency (name must be the same as name at top of form; no abbreviations) is required. Local WIC Agency program number is also required.
- Local WIC Agency mailing address is required (including city, state, and zip code).
- Provide Local WIC Agency phone number, including the area code.
- After completion of the Local WIC Agency Authorization Section and review of the other completed sections of the Agreement, the Local WIC Agency sends all copies (White, Yellow, & Green) to the State WIC Agency.

STATE WIC AGENCY AUTHORIZATION (SHADED RIGHT BOTTOM) SECTION OF AGREEMENT:

- **This section is for State WIC Agency use only. Do not write in this section.**
- The State WIC Agency reviews the Agreement and completes the State WIC Agency Authorization section. The White copy of Agreement is retained in the State WIC office. The Green and Yellow copies of the Agreement are returned to the Local WIC Agency*.

*The Local WIC Agency retains Yellow copy of the fully completed Agreement and returns Green copy to the vendor.

TERMS OF VENDOR AGREEMENT

Vendor keeps pages of the "Terms of Vendor Agreement". Vendor must read, understand, and agree with the Terms. The statement on the Vendor Agreement indicating the Terms of Vendor Agreement have been received must be initialed by the owner.

RETENTION AND DISPOSITION:

This form must be retained in accordance with records retention requirements of the North Carolina Department of Cultural Resources and the North Carolina Department of Health and Human Services.

REORDER: (Use DHHS 2507)

Send to: Nutrition Services Branch, 1914 Mail Service Center Raleigh, NC 27699-1914 Courier 54-42-01

TERMS OF VENDOR AGREEMENT

WITNESSETH:

This Agreement is pursuant to 10A N.C.A.C. Subchapter 43D

This Agreement does not constitute a license or a property interest.

Section I -- Vendor

The Vendor agrees to:

1. Comply with the terms of this Agreement and State and federal WIC Program rules, regulations, policies and applicable law governing the Program, including any changes made during the Agreement period;
2. Be placed into a peer group in accordance with 10A N.C.A.C. 43D.0706. The State WIC Agency may reassess an authorized vendor's peer group designation at any time during the vendor's Agreement period and shall place the vendor in a different peer group if upon reassessment the State WIC Agency determines that the vendor is no longer in the appropriate peer group;
3. Comply with the vendor selection criteria throughout the Agreement period, and any changes in the criteria, including the following:
 - a. Excluding free-standing pharmacies, maintain Supplemental Nutrition Assistance Program (SNAP) authorization for the store throughout the period of this Agreement;
 - b. Operate the store at a single, fixed location within the State of North Carolina; The store shall be located at the address indicated on the WIC vendor application and shall be the site at which WIC supplemental foods are selected by the WIC customer;
 - c. Keep the store open throughout the year for business with the public at least six days a week for a minimum of forty (40) hours per week between 8:00 a.m. and 11:00 p.m.;
 - d. Not use the acronym "WIC" or the WIC logo, including facsimiles thereof, in total or in part, in the official name in which the business is registered or in the name under which the store does business;
 - e. Not use the WIC logo in advertising or promotional literature;
 - f. Not apply stickers, tags, or labels having the WIC acronym or logo on North Carolina approved WIC supplemental foods;
 - g. Not submit false, erroneous, or misleading information to the State or Local WIC Agency;
 - h. Not have any owner(s), officer(s), or manager(s) who are employed, or who have a spouse, child, or parent who is employed by the State WIC program or the local WIC program serving the county in which the vendor conducts business; A vendor shall not have an employee who handles, transacts, deposits, or stores WIC food instruments or cash-value vouchers who is employed, or who has a spouse, child, or parent who is employed by the State WIC program or the local WIC program serving the county in which the vendor conducts business. Such situations present a conflict of interest;
 - i. Not have any owner(s), officer(s), or manager(s) who in the last six years have 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;
 - j. Excluding chain stores and stores under a WIC Corporate Agreement that have a separate manager on site for each store, not have an owner who holds a financial interest in any of the following:
 - (1) A SNAP vendor which is disqualified from participation in the SNAP or has been assessed a civil money penalty for hardship in lieu of disqualification and the time period during which the disqualification would have run, had a penalty not been paid, is continuing; or
 - (2) Another WIC vendor which is disqualified from participation in the WIC Program or which has been assessed a monetary or civil money penalty pursuant to G.S. 130A-22(c1), Paragraph (e) or Paragraph (f) of 10A N.C.A.C. 43D.0710 as the result of violation of Paragraphs (a) or (b) of 10A N.C.A.C. 43D.0710, and if assessed a penalty, the time during which the disqualification would have run, had a penalty not been assessed, is continuing;

The requirements of provision 3.j. of Section I. of this Agreement shall not be met by the transfer or conveyance of financial interest during the period of disqualification. Additionally, the requirements of provision 3.j. shall not be met even if such transfer or conveyance of financial interest in a SNAP vendor under 3.j.(1) prematurely ends the disqualification period applicable to that SNAP vendor. The requirements of provision 3.j. shall apply until the time the SNAP vendor disqualification otherwise would have expired;

- k. Purchase all infant formula, exempt infant formula and WIC-eligible medical food directly from State-approved sources and provide only such infant formula, exempt infant formula and WIC-eligible medical food to WIC customers; Maintain and make available to the state or local WIC agency invoices, receipts, copies of purchase orders, and any other proofs of purchase documenting such purchases; All purchase documentation must satisfy the requirements of 10A N.C.A.C. 43D.0708 (30)(a) through (30)(c);
- l. Mark the current shelf prices of all WIC supplemental foods clearly on the foods or have the prices posted on the shelf or display case at all times;
- m. Not charge the State WIC Program more than the maximum price set by the State WIC Agency under Sub-item (4)(a) of 10A N.C.A.C. 43D.0707 for each supplemental food within the vendor's peer group;
- n. Not operate as a predominantly WIC vendor as defined in 10A N.C.A.C. 43D.0202; and
- o. Not have an owner, officer or manager that currently has 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;

The State WIC Agency may reassess the vendor at any time during the Agreement period using the selection criteria in effect at the time of the reassessment and shall terminate the vendor Agreement if the vendor fails to comply with the vendor selection criteria, including the criteria in Section I.3.a. through o. of this Agreement;

- 4. Not discriminate on the basis of WIC participation, such as failing to offer WIC customers the same courtesies offered to other customers, including the acceptance of store and manufacturer's coupons, or requiring separate WIC lines; The vendor shall comply with the nondiscrimination provisions of 7 CFR Parts 15, 15a, and 15b;
- 5. Excluding free-standing pharmacies, redeem at least \$2,000 annually in WIC supplemental food sales;
- 6. For free-standing pharmacies, provide only exempt infant formula and WIC-eligible medical foods to WIC customers;
- 7. Require an owner, store manager or other authorized store representative to attend annual vendor training upon notification of the training by the local WIC agency;
- 8. Inform and train vendor's cashiers and other staff on WIC Program requirements; The vendor also agrees to be accountable for the actions of its owners, officers, managers, agents and employees who commit vendor violations;
- 9. Submit a current accurately completed WIC Price List when signing this Agreement and by April 1 and October 1 of each year; The vendor also agrees to submit a WIC Price List within one (1) week of any written request by the State or local WIC agency;
- 10. Maintain the minimum inventory of supplemental foods specified in 10A N.C.A.C. 43D.0708(24) and Section VI of this Agreement in the store for purchase; Supplemental foods that are outside of the manufacturer's expiration date do not count towards meeting the minimum inventory requirement;
- 11. Ensure that all supplemental foods in the store for purchase are within the manufacturer's expiration date;
- 12. Accept WIC Program food instruments and cash-value vouchers in exchange for North Carolina approved WIC supplemental foods. Supplemental foods are those foods which satisfy the requirements of 10A N.C.A.C. 43D.0501. The North Carolina approved WIC supplemental foods, specifications and product identification are contained in the North Carolina WIC Program Approved Foods list, which is incorporated herein by reference with all subsequent amendments and editions;
- 13. Provide only the authorized supplemental foods listed on the food instrument, accurately determine the charges to the WIC Program, and clearly complete the "Pay Exactly" box on the

- food instrument prior to obtaining the signature of the WIC customer; The WIC customer is not required to get all of the supplemental foods listed on the food instrument;
14. Provide only authorized fruits and vegetables in transacting a cash-value voucher, accurately determine the charges to the WIC Program, and clearly complete the "Pay Exactly" box on the cash-value voucher prior to obtaining the signature of the WIC customer; The WIC customer is not required to get the full dollar value of the cash-value voucher; however, a WIC customer may obtain more fruits and vegetables than the full dollar value of the cash-value voucher if the WIC customer pays the difference;
 15. Enter in the "Pay Exactly" box only the total amount of the current shelf prices, or less than the current shelf prices, for the supplemental food actually provided; Not charge or collect sales tax for the supplemental food provided; Not charge or collect tax on coupons used in conjunction with WIC food instruments or cash-value vouchers; Tax may be charged on the amount that exceeds the value of the cash-value voucher if the excess amount is paid in cash or other methods accepted by the vendor, except for SNAP benefits;
 16. Charge no more for supplemental food provided to a WIC customer than to a non-WIC customer or no more than the current shelf price, whichever is less; Violation of this provision, whether intentional or unintentional, is defined as a vendor overcharge;
 17. Accept WIC Program food instruments and cash-value vouchers only on or between the "First Date to Spend" and the "Last Date to Spend";
 18. Enter in the "Date Transacted" box the month, day and year the WIC food instrument or cash-value voucher is exchanged for supplemental food prior to obtaining the WIC customer's signature;
 19. Ensure that the WIC customer signs the food instrument or cash-value voucher in the presence of the cashier;
 20. Imprint the WIC vendor stamp in the "Pay the Authorized WIC Vendor Stamped Here" box on the face of the food instrument or cash-value voucher to enable the vendor number to be read during the Program editing process;
 21. Imprint the vendor's bank deposit stamp or the vendor's name, address and bank account number in the "Authorized WIC Vendor Stamp" box in the endorsement;
 22. Deposit in the vendor's bank only WIC Program food instruments and cash-value vouchers transacted at the vendor's store; All WIC program food instruments and cash-value vouchers must be deposited in the vendor's bank within 60 days of the "First Date to Spend" on the food instrument or cash-value voucher;
 23. Accept payment from the State WIC Program only up to the maximum price set by the State WIC Agency for each food instrument within that vendor's peer group; The maximum price for each food instrument shall be based on the maximum prices set by the State WIC Agency for each supplemental food, as described in Sub-item (4)(a) of 10A N.C.A.C. 43D.0707, listed on the food instrument. A food instrument deposited by a vendor for payment which exceeds the maximum price shall be paid at the maximum price set by the State WIC Agency for that food instrument. This payment shall be in the form of a direct deposit into the vendor's bank account;
 24. Accept payment from the State WIC Program only up to the full dollar value of the cash-value voucher; A cash-value voucher deposited by a vendor which exceeds the full dollar value shall be paid at the full dollar value of the cash-value voucher by a direct deposit into the vendor's bank account;
 25. Ensure that the WIC vendor stamp is used only for the purpose and in the manner authorized by this Agreement and assume full responsibility for the unauthorized use of the WIC vendor stamp, including reimbursement to the State WIC Agency for food instruments and cash-value vouchers redeemed through the unauthorized use of the WIC vendor stamp;
 26. Maintain storage of the WIC vendor stamp so only the staff designated by the vendor owner or manager have access to the stamp and report loss of the stamp within two business days to the local WIC agency; Not reproduce the WIC vendor stamp;
 27. Permit the purchase of supplemental food without requiring other purchases;
 28. Refuse to transact any food instrument or cash-value voucher that has been altered;
 29. Not transact food instruments or cash-value vouchers in whole or in part for cash, credit (including rainchecks), unauthorized foods, or non-food items;

30. Not provide refunds or permit exchanges for authorized supplemental foods obtained with food instruments or cash-value vouchers, except for exchanges of an identical authorized supplemental food when the original authorized supplemental food is defective, spoiled, or has exceeded its "best if used by," "sell by" or other date limiting the sale or use of the food; An identical authorized supplemental food means the exact brand, type and size as the original authorized supplemental food obtained and returned by the WIC customer;
31. Not seek restitution from the WIC customer for reimbursement paid by the vendor to the State WIC Agency or for WIC food instruments or cash-value vouchers not paid or partially paid by the State WIC Agency; Additionally, the vendor shall not charge the WIC customer for authorized supplemental foods obtained with food instruments or cash-value vouchers;
32. Not contact a WIC customer outside the store regarding the transaction or redemption of WIC food instruments or cash-value vouchers;
33. Notify the local WIC agency of misuse (attempted or actual) of WIC Program food instruments or cash-value vouchers;
34. Maintain a record of all SNAP-eligible food sales and provide to 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 amount of sales claimed by the vendor, such as sales records, financial statements, reports, tax documents or other verifiable documentation; The vendor gives the State WIC Agency permission to have access to and obtain copies of all tax records submitted to the NC Department of Revenue, including corporate and individual income tax and sales and use tax returns and all records pertinent to these returns. The vendor agrees to execute any release that may be required by the NC Department of Revenue to release such information. SNAP-eligible food sales are sales of those foods that can be purchased with Supplemental Nutrition Assistance Program ("SNAP") benefits;
35. Allow monitoring and inspection of the store premises and procedures to ensure compliance with the Agreement and State and federal WIC Program rules, regulations and applicable law; This includes providing access to all program-related records, including access to all WIC food instruments and cash-value vouchers at the store; vendor records pertinent to the purchase and sale of WIC supplemental foods, including invoices, receipts, copies of purchase orders, and any other proofs of purchase; federal and state corporate and individual income tax and sales and use tax returns and all records pertinent to these returns; and books and records of all financial and business transactions. These records must be retained by the vendor for a period of three years or until any audit pertaining to these records is resolved, whichever is later. Notwithstanding any other provision of this Agreement and Rules .0707, .0708 and .0710 of 10A N.C.A.C. 43D, failure or inability to provide these records for an inventory audit or providing false records for an inventory audit shall be deemed a violation of 7 CFR 246.12(l)(1)(iii)(B) and Subparagraph (a)(1) of 10A N.C.A.C. 43D.0710. Invoices, receipts, purchase orders, and any other proofs of purchase for WIC supplemental foods shall include:
 - (a) The name of the seller and be prepared entirely by the seller or on the seller's business letterhead;
 - (b) The date of purchase and the date the authorized vendor received the WIC supplemental food at the store if different from the date of purchase; and
 - (c) A description of each WIC supplemental food item purchased, including brand name, unit size, type or form, and quantity;
36. Reimburse the State WIC Agency in full or agree to a repayment schedule with the State WIC Agency within thirty (30) days of written notification of a claim assessed due to a vendor violation that affects payment to the vendor or a claim assessed due to the unauthorized use of the WIC vendor stamp; Failure to reimburse the State WIC Agency in full or agree to a repayment schedule within thirty (30) days of written notification of a claim shall result in termination of the WIC Vendor Agreement. When the State WIC Agency determines the vendor has committed a vendor violation that affects payment to the vendor, the State WIC Agency will deny payment or assess a claim. The State WIC Agency has the authority to deny payment or assess a claim in the amount of the full purchase price of each food instrument or cash-value voucher affected by the vendor violation. Denial of payment by the State WIC Agency or payment of a claim by the vendor for a vendor violation(s) shall not absolve the vendor of the violation(s). The vendor shall also be

subject to any vendor sanctions authorized under 10A N.C.A.C. 43D.0710 for the vendor violation(s);

37. Not be paid for invalid food instruments or cash-value vouchers in accordance with 10A N.C.A.C. 43D.0704(a), but may attempt to justify or correct an invalid food instrument or cash-value voucher and may be paid in accordance with 10A N.C.A.C. 43D.0704(b);
38. Notify the local WIC agency in writing at least 30 days prior to a change of ownership, change in store location, cessation of operations, or withdrawal from the WIC Program;
39. Return the WIC vendor stamp to the local WIC agency upon termination of this Agreement or disqualification from the WIC Program;
40. Be monitored for compliance with Program requirements through routine monitoring, compliance buys, inventory audits and any other means the State WIC Agency deems necessary to determine compliance with Program requirements; and
41. The WIC Vendor Agreement does not constitute a license or a property interest; A vendor must reapply to continue to be authorized beyond the period of its current WIC Vendor Agreement. Additionally, a store must reapply to become authorized following the expiration of a disqualification period or termination of the Agreement. In all cases, the vendor applicant is subject to the vendor peer group criteria of 10A N.C.A.C. 43D.0706 and the vendor selection criteria of 10A N.C.A.C. 43D.0707.

Section II – Local WIC Agency

The Local WIC Agency agrees to:

1. Provide annual vendor training on WIC program requirements;
2. Conduct routine monitoring of the vendor's performance under this Agreement to ensure compliance with the Agreement and State and federal WIC Program rules, regulations and applicable law; A minimum of one-third of all authorized vendors, excluding military commissaries, shall be monitored within a federal fiscal year (October 1 – September 30) and all vendors shall be monitored at least once within three consecutive fiscal years. Any vendor shall be monitored within one (1) week of a written request by the State WIC Agency;
3. Provide vendors with the North Carolina WIC Vendor Manual, all Vendor Manual amendments, blank WIC Price Lists, the WIC vendor stamp, and any other documents and materials required for the vendor's participation as an authorized WIC vendor;
4. Assist the vendor with questions regarding the vendor's participation in the WIC Program; and
5. Maintain records pertaining to this Agreement and vendor management activities in accordance with the NC Department of Health and Human Services Records Retention Schedule.

Section III – State WIC Agency

The State WIC Agency agrees to:

1. Make payment to the vendor for food instruments and cash-value vouchers transacted at the vendor's store upon compliance by the vendor with the conditions contained in Section I of this Agreement and all WIC Program rules, regulations, policies and applicable law; Payment will not be made unless and until the conditions in Section I have been met. Notwithstanding the foregoing, if payment is made by the State WIC Agency and the conditions in Section I have not been satisfied, the State WIC Agency may assess a claim against the vendor. The vendor shall reimburse the State WIC Agency in full or agree to a repayment schedule within thirty (30) days of written notification of a claim. The State WIC Agency may offset a claim against current and subsequent amounts owed to a vendor if a vendor fails to pay a claim;
2. Provide annually a list of State-approved sources for the purchase of infant formula, exempt infant formula, and WIC-eligible medical foods; and
3. Provide the vendor written notification of an initial violation that requires a pattern of occurrences to impose a sanction, unless the State WIC Agency determines that notifying the vendor would compromise an investigation, as provided in 7 CFR 246.12(l)(3).

Section IV -- Disqualification and Termination

1. The State WIC Agency shall disqualify a vendor in accordance with the Vendor Sanction System referenced in Section VII of this Agreement and 10A N.C.A.C. 43D.0710.

2. The State WIC Agency may not accept voluntary withdrawal of the vendor from the WIC Program or use nonrenewal of the vendor Agreement as an alternative to disqualification.
3. If the State WIC Agency determines that disqualification of a vendor under the Federal Mandatory Vendor Sanctions for violations B. through I. and L. would result in inadequate participant access pursuant to 10A N.C.A.C. 43D.0710(e), the State WIC Agency will impose a civil money penalty ("CMP") in lieu of disqualification in accordance with 10A N.C.A.C. 43D.0710(f)(1). If the State WIC Agency determines that disqualification of a vendor under the State Vendor Sanctions for violations A. through L. would result in participant hardship pursuant to 10A N.C.A.C. 43D.0710(f)(3), the State WIC Agency may impose a monetary penalty in lieu of disqualification in accordance with 10A N.C.A.C. 43D.0710(f)(2). If a vendor does not pay, only partially pays, or fails to timely pay a civil money penalty or monetary penalty assessed in lieu of disqualification, the vendor shall be disqualified for the length of the original disqualification.
4. A second Federal Mandatory Vendor Sanction for any of the violations in B. through I. shall be doubled. A third or subsequent Federal Mandatory Vendor Sanction for any of the violations in B. through I. shall be doubled with no CMP option for inadequate participant access. State Vendor Sanctions for any of the violations in A. through L. detected during a single investigation shall be cumulative, provided that the total disqualification period may not exceed one year.
5. Disqualification from the WIC Program may result in disqualification as a retailer in SNAP. Such disqualification is not subject to administrative or judicial review under SNAP.
6. A vendor applicant shall not become authorized as a WIC vendor if the store has been disqualified from participation in the WIC Program and the disqualification period has not expired.
7. A vendor applicant shall not become authorized as a WIC vendor if the store is currently disqualified from SNAP or the store has been assessed a SNAP civil money penalty for hardship and the disqualification period that otherwise would have been imposed has not expired.
8. A change in ownership, change in store location of more than three miles from the store's previous location, 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. Change of ownership, change in store location, ceasing operations, withdrawal from the WIC Program, or nonrenewal of the WIC Vendor Agreement shall not stop a disqualification period applicable to the store.
9. Excluding free-standing pharmacies, failure to redeem at least \$2,000 annually in WIC supplemental food sales shall result in termination of the WIC Vendor Agreement.
10. Failure of an owner, store manager or other authorized store representative to attend annual vendor training by September 30 of each year shall result in termination of the WIC Vendor Agreement.
11. A vendor who commits fraud or abuse of the Program is liable to prosecution under applicable Federal, State, and local laws. Under 7 CFR 246.23, those who have embezzled, willfully misapplied, stolen, or fraudulently obtained program funds, or those who have knowingly received, concealed or retained such funds, shall be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one year or both.
12. Either the State WIC Agency or the vendor may terminate this Agreement for cause after providing 30 days' advance written notice. This Agreement may be terminated by mutual agreement of both parties at any time. Neither the State WIC Agency nor the vendor has an obligation to renew the vendor Agreement.

Section V -- Appeal Procedures

The vendor appeal procedures shall be in accordance with Section .0800 of 10A N.C.A.C. 43D. The vendor may appeal the adverse actions listed in 7 CFR 246.18 (a)(1)(i) and (a)(1)(ii). However, the following actions are not subject to administrative review: the validity or appropriateness of the State WIC Agency's vendor limiting or selection criteria; the validity or appropriateness of the State WIC Agency's participant access criteria and the State WIC Agency's participant access determinations; the State WIC Agency's determination to exclude an infant formula manufacturer, wholesaler, distributor or retailer from the State WIC Agency's list of approved sources; the State WIC Agency's determination whether to provide written notification to a vendor when an investigation reveals an initial violation that requires a pattern of occurrences to impose a sanction; the expiration of a vendor's Agreement; disputes regarding food instrument or cash-value voucher payments and vendor claims, other than the opportunity to justify or correct as permitted by 7 CFR 246.12(k)(3); and the disqualification of a vendor as a result of disqualification from SNAP.

Section VI -- Minimum Inventory – 10A N.C.A.C. 43D.0708(24)

The following items and sizes constitute the minimum inventory of supplemental foods for vendors in Peer Groups I-III of 10A N.C.A.C. 43D.0706(1), vendors in Peer Groups I – IV of 10A N.C.A.C. 43D.0706(2) and vendors in Peer Group IV of 10A N.C.A.C. 43D.0706(3).

Food Type	Type of Inventory	Required Quantities
MILK	Whole fluid: gallon -and- Skim/low-fat fluid: gallon containers	2 gallons 4 gallons
CHEESE	1 pound package	2 pounds
CEREALS	2 types (Whole Grain only) (Minimum package size - 12 ounce)	6 packages total
EGGS	Grade A, large, White: one dozen size carton	2 dozen
JUICES	Single strength: 48 ounce container 64 ounce container	4 containers 4 containers
DRIED PEAS/BEANS	1 pound package	2 packages
PEANUT BUTTER	16 to 18 ounce container	2 containers
INFANT CEREAL	8 ounce box	6 boxes
INFANT FORMULA	Brands must be the primary contract infant formula Milk-based concentrate: 12 to 13 ounce and Soy-based concentrate: 12 to 13 ounce	34 cans 17 cans
	Brands must be the primary contract infant formula Milk-based powder: 11 to 14 ounce and Soy-based powder: 11 to 14 ounce	10 cans 5 cans
FRUITS	14 to 16 ounce can: 2 varieties	6 cans total
VEGETABLES (Excludes foods in Dried Peas and Beans category)	14 to 16 ounce can: 2 varieties	6 cans total

Section VII—Vendor Sanction System

VENDOR SANCTION SYSTEM		
FEDERAL MANDATORY VENDOR SANCTIONS		
	VIOLATIONS	DISQUALIFICATION PERIOD
A.	A vendor criminally convicted of trafficking in food instruments or cash-value vouchers or selling firearms, ammunition, explosives, or controlled substances (as defined in 21 USC 802) in exchange for food instruments or cash-value vouchers. A vendor is not entitled to receive any compensation for revenues lost as a result of such violation.	Permanent
B.	One (1) occurrence of buying or selling food instruments or cash-value vouchers for cash (trafficking) or one (1) occurrence of selling firearms, ammunition, explosives, or controlled substances (as defined in 21 USC 802) in exchange for food instruments or cash-value vouchers.	6 years
C.	One (1) occurrence of the sale of alcohol or alcoholic beverages or tobacco products in exchange for food instruments or cash-value vouchers.	3 years
D.	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 (6) or more days within a 60-day period. The six (6) or more days do not have to be consecutive days within the 60-day period. Failure or inability to provide records or providing false records required under 10A N.C.A.C. 43D.0708(30) for an inventory audit shall be deemed a violation of 7 C.F.R.246.12(l)(1)(iii)(B) and 10A N.C.A.C. 43D.0710(a)(1).	3 years
E.	Two (2) occurrences of vendor overcharging within a 12-month period.	3 years
F.	Two (2) occurrences within a 12-month period of receiving, transacting or redeeming food instruments or cash-value vouchers outside of authorized channels, including the use of an unauthorized vendor or an unauthorized person.	3 years
G.	Two (2) occurrences within a 12-month period of charging for supplemental food not received by the WIC customer.	3 years
H.	Two (2) occurrences within a 12-month period of providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances as defined in 21 USC 802, in exchange for food instruments or cash-value vouchers.	3 years
I.	Three (3) occurrences within a 12-month period of providing unauthorized food items in exchange for food instruments or cash-value vouchers, including charging for supplemental foods provided in excess of those listed on the food instrument.	1 year
J.	2 nd sanction, excluding sanctions for trafficking convictions and SNAP disqualifications.	Double Sanctions
K.	3 rd sanction, excluding sanctions for trafficking convictions and SNAP disqualifications.	Double Sanctions and no CMP option
L.	Disqualification from SNAP.	Same length of time as the SNAP disqualification and may begin at a later date than the SNAP disqualification

STATE VENDOR SANCTIONS		
VIOLATIONS		DISQUALIFICATION PERIOD
A.	Two (2) occurrences within a 12-month period of discrimination on the basis of WIC participation as referenced in 10A N.C.A.C. 43D.0708(38).	1 year
B.	Three (3) occurrences within a 12-month period of failure to properly transact a WIC food instrument or cash-value voucher by not completing the date and purchase price on the WIC food instrument or cash-value voucher before obtaining the WIC customer's signature, by not obtaining the WIC customer's signature in the presence of the cashier, or by accepting a WIC food instrument or cash-value voucher prior to the "First Date to Spend" or after the "Last Date to Spend" dates on the food instrument or cash-value voucher.	1 year
C.	Three (3) occurrences within a 12-month period of requiring a cash purchase to transact a WIC food instrument or cash-value voucher.	1 year
D.	Three (3) occurrences within a 12-month period of contacting a WIC customer in an attempt to recoup funds for a food instrument or cash-value voucher or contacting a WIC customer outside the store regarding the transaction or redemption of a WIC food instrument or cash-value voucher.	270 days
E.	Three (3) occurrences within a 12-month period of failure to provide program-related records referenced in 10A N.C.A.C. 43D.0708(30) when requested by WIC staff, except as provided in 10A N.C.A.C. 43D.0708(30) and 10A N.C.A.C. 43D.0710(a)(1) for failure or inability to provide records for an inventory audit.	180 days
F.	Three (3) occurrences within a 12-month period of failure to provide the information referenced in 10A N.C.A.C. 43D.0708(31) when requested by WIC staff.	180 days
G.	Three (3) occurrences within a 12-month period of failure to stock the minimum inventory specified in 10A N.C.A.C. 43D.0708(24).	180 days
H.	Three (3) occurrences within a 12-month period of stocking WIC supplemental foods outside of the manufacturer's expiration date.	90 days
I.	Three (3) occurrences within a 12-month period of failure to allow monitoring of a store by WIC staff.	90 days
J.	Five (5) occurrences within a 12-month period of failure to submit a WIC Price List as required by 10A N.C.A.C. 43D.0708(32).	90 days
K.	Three (3) occurrences within a 12-month period of failure to mark the current shelf prices of all WIC supplemental foods on the foods or have the prices posted on the shelf or display case.	60 days
L.	Five (5) occurrences within a 12-month period of requiring the purchase of a specific brand when more than one WIC supplemental food brand is available.	60 days

INSTRUCTIONS FOR COMPLETION OF THE WIC VENDOR AGREEMENT FOR FREE-STANDING PHARMACIES (DHHS 2768-P)

PURPOSE:

This Agreement authorizes free-standing pharmacy vendors to accept N.C. WIC food instruments in compliance with federal and state WIC Program laws, regulations, rules, and policies.

INSTRUCTIONS:

1. Form must be completed in blue or black ink (please print) or typed.
2. Do not use correction fluid/tape (all copies must look the same). Strike through errors with a single line, initial and date the error.
3. Only the current form, effective through September 30, 2018, will be accepted.

TOP OF AGREEMENT:

- The name of the store and store number (if part of a chain) must be printed on the first line. Do not use the corporate name of the business.
- The name (no abbreviations) of the Local WIC Agency must be printed on the second line.

VENDOR (LEFT) SECTION OF AGREEMENT:

- Provide the Vendor Stamp imprint (leave blank, if a new vendor) in box on each carbon page.
- Signature of owner and signature date are required.
- Printed name and title of owner are required.
- Name of store is required (name must be the same as name at top of form). Do not use the corporate name of the business.
- Only mailing address for store is required (including city, state, and zip code).
- Provide phone number, including the area code, for the store.
- **The vendor owner/officer that signs the Agreement must also initial by the statement at the bottom of this section that they have received and will comply with the Terms of Vendor Agreement for Free-Standing Pharmacies.**
- After completion of the left side of the Agreement, the Vendor retains the Pink copy. The Vendor must submit the White, Yellow, and Green copies to the Local WIC Agency.

LOCAL WIC AGENCY AUTHORIZATION (RIGHT TOP) SECTION OF AGREEMENT:

- Signature of Local WIC Agency authorized representative and the date signed are required.
- Printed name and title of Local WIC Agency authorized representative are required.
- Name of Local WIC Agency (name must be the same as name at top of form; no abbreviations) is required. Local WIC Agency program number is also required.
- Local WIC Agency mailing address is required (including city, state, and zip code).
- Provide Local WIC Agency phone number, including the area code.
- After completion of the Local WIC Agency Authorization Section and review of the other completed sections of the Agreement, the Local WIC Agency sends all copies (White, Yellow, and Green) to State WIC Agency.

STATE WIC AGENCY AUTHORIZATION (SHADED RIGHT BOTTOM) SECTION OF AGREEMENT:

- **This section is for State use only. Do not write in this section.**
- The State WIC Agency reviews the Agreement and completes the State WIC Agency authorization section. The White copy of Agreement is retained in the State office. The Green and Yellow copies of the Agreement are returned to the Local WIC Agency*.

*The Local WIC Agency retains Yellow copy of the fully completed Agreement and returns Green copy to the vendor.

TERMS OF VENDOR AGREEMENT FOR FREE-STANDING PHARMACIES

Vendor keeps pages of the "Terms of Vendor Agreement for Free-Standing Pharmacies". Vendor must read, understand, and agree with the Terms. The statement on the Vendor Agreement for Free-Standing Pharmacies, indicating the Terms of Vendor Agreement for Free-Standing Pharmacies have been received, must be initialed by owner.

RETENTION AND DISPOSITION:

This form must be retained in accordance with records retention requirements of the North Carolina Department of Cultural Resources and the North Carolina Department of Health and Human Services.

REORDER: (Use DHHS 2507)

Send to: Nutrition Services Branch, 1914 Mail Service Center Raleigh, NC 27699-1914 Courier 54-42-01

TERMS OF VENDOR AGREEMENT FOR FREE-STANDING PHARMACIES

WITNESSETH:

This Agreement is pursuant to 10A N.C.A.C. Subchapter 43D

This Agreement does not constitute a license or a property interest.

Section I -- Vendor

The Vendor agrees to:

1. Comply with the terms of this Agreement and State and federal WIC Program rules, regulations, policies and applicable law governing the Program, including any changes made during the Agreement period;
2. **Provide only exempt infant formula and WIC-eligible nutritionals (medical foods) to WIC customers;** For purposes of this Agreement, all references to supplemental food or WIC supplemental food means exempt infant formula and WIC-eligible nutritionals (medical foods);
3. Be placed into a peer group in accordance with 10A N.C.A.C. 43D.0706; The State WIC Agency may reassess an authorized vendor's peer group designation at any time during the vendor's Agreement period and shall place the vendor in a different peer group if upon reassessment the State WIC Agency determines that the vendor is no longer in the appropriate peer group;
4. Comply with the vendor selection criteria throughout the Agreement period, and any changes in the criteria, including the following:
 - a. Operate the store at a single, fixed location within the State of North Carolina; The store shall be located at the address indicated on the WIC vendor application and shall be the site at which WIC supplemental foods are selected by the WIC customer;
 - b. Keep the store open throughout the year for business with the public at least six days a week for a minimum of forty (40) hours per week between 8:00 a.m. and 11:00 p.m.;
 - c. Not use the acronym "WIC" or the WIC logo, including facsimiles thereof, in total or in part, in the official name in which the business is registered or in the name under which the store does business;
 - d. Not use the WIC logo in advertising or promotional literature;
 - e. Not apply stickers, tags, or labels having the WIC acronym or logo on North Carolina approved WIC supplemental foods;
 - f. Not submit false, erroneous, or misleading information to the State or Local WIC Agency;
 - g. Not have any owner(s), officer(s), or manager(s) who are employed, or who have a spouse, child, or parent who is employed by the State WIC program or the local WIC program serving the county in which the vendor conducts business; A vendor shall not have an employee who handles, transacts, deposits, or stores WIC food instruments or cash-value vouchers who is employed, or who has a spouse, child, or parent who is employed by the State WIC program or the local WIC program serving the county in which the vendor conducts business. Such situations present a conflict of interest;
 - h. Not have any owner(s), officer(s), or manager(s) who in the last six years have 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;
 - i. Excluding chain stores and stores under a WIC Corporate Agreement that have a separate manager on site for each store, not have an owner who holds a financial interest in any of the following:
 - (1) A SNAP vendor which is disqualified from participation in the SNAP or has been assessed a civil money penalty for hardship in lieu of disqualification and the time period during which the disqualification would have run, had a penalty not been paid, is continuing; or
 - (2) Another WIC vendor which is disqualified from participation in the WIC Program or which has been assessed a monetary or civil money penalty pursuant to G.S. 130A-22(c1), Paragraph (e) or Paragraph (f) of 10A N.C.A.C. 43D.0710 as the result of violation of Paragraphs (a) or (b) of 10A N.C.A.C. 43D.0710, and if assessed a penalty, the time during which the disqualification would have run, had a penalty not been assessed, is continuing;

The requirements of provision 3.j. of Section I. of this Agreement shall not be met by the transfer or conveyance of financial interest during the period of disqualification. Additionally, the requirements of provision 3.j. shall not be met even if such transfer or conveyance of financial interest in a SNAP vendor under 3.j.(1) prematurely ends the disqualification period applicable to that SNAP vendor. The requirements of provision 3.j. shall apply until the time the SNAP vendor disqualification otherwise would have expired;

- j. Purchase all exempt infant formula and WIC-eligible nutritionals (medical foods) directly from State-approved sources and provide only such exempt infant formula and WIC-eligible nutritionals (medical foods) to WIC customers; Maintain and make available to the state or local WIC agency invoices, receipts, copies of purchase orders, and any other proofs of purchase documenting such purchases; All purchase documentation must satisfy the requirements of 10A N.C.A.C. 43D.0708 (30)(a) through (30)(c);
- k. Mark the current shelf prices of all WIC supplemental foods clearly on the foods or have the prices posted on the shelf or display case at all times;
- l. Not have an owner, officer or manager that currently has 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;

The State WIC Agency may reassess the vendor at any time during the Agreement period using the selection criteria in effect at the time of the reassessment and shall terminate the vendor Agreement if the vendor fails to comply with the vendor selection criteria, including the criteria in Section I.4.a. through I. of this Agreement;

- 5. Not discriminate on the basis of WIC participation, such as failing to offer WIC customers the same courtesies offered to other customers, including the acceptance of store and manufacturer's coupons, or requiring separate WIC lines; The vendor shall comply with the nondiscrimination provisions of 7 CFR Parts 15, 15a, and 15b;
- 6. Require an owner, store manager or other authorized store representative to attend annual vendor training upon notification of the training by the local WIC agency;
- 7. Inform and train vendor's cashiers and other staff on WIC Program requirements; The vendor also agrees to be accountable for the actions of its owners, officers, managers, agents and employees who commit vendor violations;
- 8. Submit a current accurately completed WIC Price List when signing this Agreement;
- 9. Ensure that all supplemental foods in the store for purchase are within the manufacturer's expiration date;
- 10. Accept WIC Program food instruments in exchange for North Carolina approved WIC supplemental foods; Supplemental foods are those foods which satisfy the requirements of 10A N.C.A.C. 43D.0501;
- 11. Provide only the authorized supplemental foods listed on the food instrument, accurately determine the charges to the WIC Program, and clearly complete the "Pay Exactly" box on the food instrument prior to obtaining the signature of the WIC customer; The WIC customer is not required to get all of the supplemental foods listed on the food instrument;
- 12. Enter in the "Pay Exactly" box only the total amount of the current shelf prices, or less than the current shelf prices, for the supplemental food actually provided; Not charge or collect sales tax for the supplemental food provided; Not charge or collect tax on coupons used in conjunction with WIC food instruments;
- 13. Charge no more for supplemental food provided to a WIC customer than to a non-WIC customer or no more than the current shelf price, whichever is less; Violation of this provision, whether intentional or unintentional, is defined as a vendor overcharge;
- 14. Accept WIC Program food instruments only on or between the "First Date to Spend" and the "Last Date to Spend" date;
- 15. Enter in the "Date Transacted" box the month, day and year the WIC food instrument is exchanged for supplemental food prior to obtaining the WIC customer's signature;
- 16. Ensure that the WIC customer signs the food instrument in the presence of the cashier;
- 17. Imprint the WIC vendor stamp in the "Pay the Authorized WIC Vendor Stamped Here" box on the face of the food instrument to enable the vendor number to be read during the Program editing process;

18. Imprint the vendor's bank deposit stamp or the vendor's name, address and bank account number in the "Authorized WIC Vendor Stamp" box in the endorsement;
19. Deposit in the vendor's bank only WIC Program food instruments transacted at the vendor's store; All WIC program food instruments must be deposited in the vendor's bank within 60 days of the "First Date to Spend" on the food instrument;
20. Ensure that the WIC vendor stamp is used only for the purpose and in the manner authorized by this Agreement and assume full responsibility for the unauthorized use of the WIC vendor stamp, including reimbursement to the State WIC Agency for food instruments redeemed through the unauthorized use of the WIC vendor stamp;
21. Maintain storage of the WIC vendor stamp so only the staff designated by the vendor owner or manager have access to the stamp and report loss of the stamp within two business days to the local WIC agency; Not reproduce the WIC vendor stamp;
22. Permit the purchase of supplemental food without requiring other purchases;
23. Refuse to transact any food instrument that has been altered;
24. Not transact food instruments in whole or in part for cash, credit (including rainchecks), unauthorized foods, or non-food items;
25. Not provide refunds or permit exchanges for authorized supplemental foods obtained with food instruments except for exchanges of an identical authorized supplemental food when the original authorized supplemental food is defective, spoiled, or has exceeded its "best if used by," "sell by" or other date limiting the sale or use of the food; An identical authorized supplemental food means the exact brand, type and size as the original authorized supplemental food obtained and returned by the WIC customer;
26. Not seek restitution from the WIC customer for reimbursement paid by the vendor to the State WIC Agency or for WIC food instruments not paid or partially paid by the State WIC Agency; Additionally, the vendor shall not charge the WIC customer for authorized supplemental foods obtained with food instruments;
27. Not contact a WIC customer outside the store regarding the transaction or redemption of WIC food instruments;
28. Notify the local WIC agency of misuse (attempted or actual) of WIC Program food instruments;
29. Allow monitoring and inspection of the store premises and procedures to ensure compliance with the Agreement and State and federal WIC Program rules, regulations and applicable law; This includes providing access to all program-related records, including access to all WIC food instruments at the store; vendor records pertinent to the purchase and sale of WIC supplemental foods, including invoices, receipts, copies of purchase orders, and any other proofs of purchase; federal and state corporate and individual income tax and sales and use tax returns and all records pertinent to these returns; and books and records of all financial and business transactions. These records must be retained by the vendor for a period of three years or until any audit pertaining to these records is resolved, whichever is later. Notwithstanding any other provision of this Agreement and Rules .0707, .0708 and .0710 of 10A N.C.A.C. 43D, failure or inability to provide these records for an inventory audit or providing false records for an inventory audit shall be deemed a violation of 7 CFR 246.12(l)(1)(iii)(B) and Subparagraph (a)(1) of 10A N.C.A.C. 43D.0710. Invoices, receipts, purchase orders, and any other proofs of purchase for WIC supplemental foods shall include:
 - (a) the name of the seller and be prepared entirely by the seller or on the seller's business letterhead;
 - (b) the date of purchase and the date the authorized vendor received the WIC supplemental food at the store if different from the date of purchase; and
 - (c) a description of each WIC supplemental food item purchased, including brand name, unit size, type or form, and quantity;
30. Reimburse the State WIC Agency in full or agree to a repayment schedule with the State WIC Agency within thirty (30) days of written notification of a claim assessed due to a vendor violation that affects payment to the vendor or a claim assessed due to the unauthorized use of the WIC vendor stamp; Failure to reimburse the State WIC Agency in full or agree to a repayment schedule within thirty (30) days of written notification of a claim shall result in termination of the WIC Vendor Agreement. When the State WIC Agency determines the vendor has committed a vendor violation that affects payment to the vendor, the State WIC Agency will deny payment or assess a claim. The State WIC Agency has the authority to deny payment or assess a claim in the amount of the full

purchase price of each food instrument or cash-value voucher affected by the vendor violation. Denial of payment by the State WIC Agency or payment of a claim by the vendor for a vendor violation(s) shall not absolve the vendor of the violation(s). The vendor shall also be subject to any vendor sanctions authorized under 10A N.C.A.C. 43D.0710 for the vendor violation(s);

31. Not be paid for invalid food instruments in accordance with 10A N.C.A.C. 43D.0704(a), but may attempt to justify or correct an invalid food instrument and may be paid in accordance with 10A N.C.A.C. 43D.0704(b);
32. Notify the local WIC agency in writing at least 30 days prior to a change of ownership, change in store location, cessation of operations, or withdrawal from the WIC Program;
33. Return the WIC vendor stamp to the local WIC agency upon termination of this Agreement or disqualification from the WIC Program;
34. Be monitored for compliance with Program requirements through routine monitoring, compliance buys, inventory audits and any other means the State WIC Agency deems necessary to determine compliance with Program requirements; and
35. The WIC Vendor Agreement does not constitute a license or a property interest; A vendor must reapply to continue to be authorized beyond the period of its current WIC Vendor Agreement. Additionally, a store must reapply to become authorized following the expiration of a disqualification period or termination of the Agreement. In all cases, the vendor applicant is subject to the vendor peer group criteria of 10A N.C.A.C. 43D.0706 and the vendor selection criteria of 10A N.C.A.C. 43D.0707.

Section II – Local WIC Agency

The Local WIC Agency agrees to:

1. Provide annual vendor training on WIC program requirements;
2. Conduct routine monitoring of the vendor's performance under this Agreement to ensure compliance with the Agreement and State and federal WIC Program rules, regulations and applicable law; A minimum of one-third of all authorized vendors, excluding military commissaries, shall be monitored within a federal fiscal year (October 1 – September 30) and all vendors shall be monitored at least once within three consecutive fiscal years. Any vendor shall be monitored within one (1) week of a written request by the State WIC Agency;
3. Provide vendors with the North Carolina WIC Vendor Manual, all Vendor Manual amendments, blank WIC Price Lists, the WIC vendor stamp, and any other documents and materials required for the vendor's participation as an authorized WIC vendor;
4. Assist the vendor with questions regarding the vendor's participation in the WIC Program; and
5. Maintain records pertaining to this Agreement and vendor management activities in accordance with the NC Department of Health and Human Services Records Retention Schedule.

Section III – State WIC Agency

The State WIC Agency agrees to:

1. Make payment to the vendor for food instruments transacted at the vendor's store upon compliance by the vendor with the conditions contained in Section I of this Agreement and all WIC Program rules, regulations, policies and applicable law; Payment will not be made unless and until the conditions in Section I have been met. Notwithstanding the foregoing, if payment is made by the State WIC Agency and the conditions in Section I have not been satisfied, the State WIC Agency may assess a claim against the vendor. The vendor shall reimburse the State WIC Agency in full or agree to a repayment schedule within thirty (30) days of written notification of a claim. The State WIC Agency may offset a claim against current and subsequent amounts owed to a vendor if a vendor fails to pay a claim;
2. Provide annually a list of State-approved sources for the purchase of exempt infant formula and WIC-eligible nutritionals (medical foods); and
3. Provide the vendor written notification of an initial violation that requires a pattern of occurrences to impose a sanction, unless the State WIC Agency determines that notifying the vendor would compromise an investigation, as provided in 7 CFR 246.12(l)(3).

Section IV -- Disqualification and Termination

1. The State WIC Agency shall disqualify a vendor in accordance with the Vendor Sanction System referenced in Section VI of this Agreement and 10A N.C.A.C. 43D.0710.
2. The State WIC Agency may not accept voluntary withdrawal of the vendor from the WIC Program or use nonrenewal of the vendor Agreement as an alternative to disqualification.
3. If the State WIC Agency determines that disqualification of a vendor under the Federal Mandatory Vendor Sanctions for violations B. through I. and L. would result in inadequate participant access pursuant to 10A N.C.A.C. 43D.0710(e), the State WIC Agency will impose a civil money penalty ("CMP") in lieu of disqualification in accordance with 10A N.C.A.C. 43D.0710(f)(1). If the State WIC Agency determines that disqualification of a vendor under the State Vendor Sanctions for violations A. through L. would result in participant hardship pursuant to 10A N.C.A.C. 43D.0710(f)(3), the State WIC Agency may impose a monetary penalty in lieu of disqualification in accordance with 10A N.C.A.C. 43D.0710(f)(2). If a vendor does not pay, only partially pays, or fails to timely pay a civil money penalty or monetary penalty assessed in lieu of disqualification, the vendor shall be disqualified for the length of the original disqualification.
4. A second Federal Mandatory Vendor Sanction for any of the violations in B. through I. shall be doubled. A third or subsequent Federal Mandatory Vendor Sanction for any of the violations in B. through I. shall be doubled with no CMP option for inadequate participant access. State Vendor Sanctions for any of the violations in A. through L. detected during a single investigation shall be cumulative, provided that the total disqualification period may not exceed one year.
5. Disqualification from the WIC Program may result in disqualification as a retailer in SNAP. Such disqualification is not subject to administrative or judicial review under SNAP.
6. A vendor applicant shall not become authorized as a WIC vendor if the store has been disqualified from participation in the WIC Program and the disqualification period has not expired.
7. A vendor applicant shall not become authorized as a WIC vendor if the store is currently disqualified from SNAP or the store has been assessed a SNAP civil money penalty for hardship and the disqualification period that otherwise would have been imposed has not expired.
8. A change in ownership, change in store location of more than three miles from the store's previous location, 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. Change of ownership, change in store location, ceasing operations, withdrawal from the WIC Program or nonrenewal of the WIC Vendor Agreement shall not stop a disqualification period applicable to the store.
9. Failure of an owner, store manager or other authorized store representative to attend annual vendor training by September 30 of each year shall result in termination of the WIC Vendor Agreement.
10. A vendor who commits fraud or abuse of the Program is liable to prosecution under applicable Federal, State, and local laws. Under 7 CFR 246.23, those who have embezzled, willfully misapplied, stolen, or fraudulently obtained program funds, or those who have knowingly received, concealed or retained such funds, shall be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one year or both.
11. Either the State WIC Agency or the vendor may terminate this Agreement for cause after providing 30 days' advance written notice. This Agreement may be terminated by mutual agreement of both parties at any time. Neither the State WIC Agency nor the vendor has an obligation to renew the vendor Agreement.

Section V -- Appeal Procedures

The vendor appeal procedures shall be in accordance with Section .0800 of 10A N.C.A.C. 43D. The vendor may appeal the adverse actions listed in 7 CFR 246.18 (a)(1)(i) and (a)(1)(ii). However, the following actions are not subject to administrative review: the validity or appropriateness of the State WIC Agency's vendor limiting or selection criteria; the validity or appropriateness of the State WIC Agency's participant access criteria and the State WIC Agency's participant access determinations; the State WIC Agency's determination to exclude an infant formula manufacturer, wholesaler, distributor or retailer from the State WIC Agency's list of approved sources; the State WIC Agency's determination whether to provide written notification to a vendor when an investigation reveals an initial violation that requires a pattern of occurrences to impose a sanction; the expiration of a vendor's Agreement; disputes regarding food instrument or cash-value voucher payments and vendor claims, other than the opportunity to justify or correct as permitted by 7 CFR 246.12(k)(3); and the disqualification of a vendor as a result of disqualification from SNAP.

Section VI—Vendor Sanction System

VENDOR SANCTION SYSTEM		
FEDERAL MANDATORY VENDOR SANCTIONS		
VIOLATIONS		DISQUALIFICATION PERIOD
A.	A vendor criminally convicted of trafficking in food instruments or cash-value vouchers or selling firearms, ammunition, explosives, or controlled substances (as defined in 21 USC 802) in exchange for food instruments or cash-value vouchers. A vendor is not entitled to receive any compensation for revenues lost as a result of such violation.	Permanent
B.	One (1) occurrence of buying or selling food instruments or cash-value vouchers for cash (trafficking) or one (1) occurrence of selling firearms, ammunition, explosives, or controlled substances (as defined in 21 USC 802) in exchange for food instruments or cash-value vouchers.	6 years
C.	One (1) occurrence of the sale of alcohol or alcoholic beverages or tobacco products in exchange for food instruments or cash-value vouchers.	3 years
D.	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 (6) or more days within a 60-day period. The six (6) or more days do not have to be consecutive days within the 60-day period. Failure or inability to provide records or providing false records required under 10A N.C.A.C. 43D.0708(30) for an inventory audit shall be deemed a violation of 7 C.F.R.246.12(l)(1)(iii)(B) and 10A N.C.A.C. 43D.0710(a)(1).	3 years
E.	Two (2) occurrences of vendor overcharging within a 12-month period.	3 years
F.	Two (2) occurrences within a 12-month period of receiving, transacting, or redeeming food instruments or cash-value vouchers outside of authorized channels, including the use of an unauthorized vendor or an unauthorized person.	3 years
G.	Two (2) occurrences within a 12-month period of charging for supplemental food not received by the WIC customer.	3 years
H.	Two (2) occurrences within a 12-month period of providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances as defined in 21 USC 802, in exchange for food instruments or cash-value vouchers.	3 years
I.	Three (3) occurrences within a 12-month period of providing unauthorized food items in exchange for food instruments or cash-value vouchers, including charging for supplemental foods provided in excess of those listed on the food instrument.	1 year
J.	2 nd sanction, excluding sanctions for trafficking convictions and SNAP disqualifications.	Double Sanctions
K.	3 rd sanction, excluding sanctions for trafficking convictions and SNAP disqualifications.	Double Sanctions and no CMP option
L.	Disqualification from SNAP.	Same length of time as the SNAP disqualification and may begin at a later date than the SNAP disqualification

VENDOR SANCTION SYSTEM		
STATE VENDOR SANCTIONS		
VIOLATIONS		DISQUALIFICATION PERIOD
A.	Two (2) occurrences within a 12-month period of discrimination on the basis of WIC participation as referenced in 10A N.C.A.C. 43D.0708(38).	1 year
B.	Three (3) occurrences within a 12-month period of failure to properly transact a WIC food instrument or cash-value voucher by not completing the date and purchase price on the WIC food instrument or cash-value voucher before obtaining the WIC customer's signature, by not obtaining the WIC customer's signature in the presence of the cashier, or by accepting a WIC food instrument or cash-value voucher prior to the "First Date to Spend" or after the "Last Date to Spend" dates on the food instrument or cash-value voucher.	1 year
C.	Three (3) occurrences within a 12-month period of requiring a cash purchase to transact a WIC food instrument or cash-value voucher.	1 year
D.	Three (3) occurrences within a 12-month period of contacting a WIC customer in an attempt to recoup funds for a food instrument or cash-value voucher or contacting a WIC customer outside the store regarding the transaction or redemption of a WIC food instrument or cash-value voucher.	270 days
E.	Three (3) occurrences within a 12-month period of failure to provide program-related records referenced in 10A N.C.A.C. 43D.0708(30) when requested by WIC staff, except as provided in 10A N.C.A.C. 43D.0708(30) and 10A N.C.A.C. 43D.0710(a)(1) for failure or inability to provide records for an inventory audit.	180 days
F.	Three (3) occurrences within a 12-month period of failure to provide the information referenced in 10A N.C.A.C. 43D.0708(31) when requested by WIC staff.	180 days
G.	Three (3) occurrences within a 12-month period of failure to stock the minimum inventory specified in 10A N.C.A.C. 43D.0708(24).	180 days
H.	Three (3) occurrences within a 12-month period of stocking WIC supplemental foods outside of the manufacturer's expiration date.	90 days
I.	Three (3) occurrences within a 12-month period of failure to allow monitoring of a store by WIC staff.	90 days
J.	Five (5) occurrences within a 12-month period of failure to submit a WIC Price List as required by 10A N.C.A.C. 43D.0708(32).	90 days
K.	Three (3) occurrences within a 12-month period of failure to mark the current shelf prices of all WIC supplemental foods on the foods or have the prices posted on the shelf or display case.	60 days
L.	Five (5) occurrences within a 12-month period of requiring the purchase of a specific brand when more than one WIC supplemental food brand is available.	60 days

WIC PRICE LIST

Please review the instructions for the form and certification paragraph prior to completing and signing the form.

 (Vendor Number) (Store Name)

 (Date) (Store Address)

() _____
 (Phone Number) (City/State/Zip)

Authorized Vendor Stamp

Milk	Price	Price	Price
Type	Gallon	1/2 Gal	Quart
Whole	.	.	.
Skim (fat free), 1%	.	.	.
Lactose Reduced/Free		.	
UHT			.
Soy-Based Beverage		.	

Juice	Price	Price	Price
Brand/Flavor	11.5/12oz	48 oz	64 oz
100% Orange	.	.	.
Second Type	.	.	.

Evaporated	Price
12 oz	.

Eggs- Grade A, White - Large	Price
Dozen	.

Tofu	Price
14 -16 oz	.

Cheese	Price
16 oz	.

Yogurt	Price
32 oz (1 qt)	.

Peanut Butter	Price
16-18 oz - Plain, creamy, crunchy, chunky	.

Whole Wheat Macaroni Products (Pasta)	Price
16 oz	.

Brown Rice	Price
14 -16 oz	.

Bread - 16 oz	Price
Whole Grain / Whole Wheat	.

Tortillas - 16 oz	Price
Corn	.
Whole Wheat	.

Infant Cereal	Price
8 oz	.

Infant Meats	Price
2.5 oz	.

Infant Fruits	Price
4 oz Jar	.
2 pack (3.5 oz containers)	.
2 pack (4 oz containers)	.

Infant Vegetables	Price
4 oz Jar	.
2 pack (3.5 oz containers)	.

Beans, Peas, Lentils	Price
Dry - 16 oz Bag or Box	.
Canned - 15 - 16 oz	.

Canned Fish 5-6 oz	Price
Tuna	.
Salmon	.

Infant Formula	12 to 13 oz concentrate	32 oz ready to feed	11 to 14 oz powder
Type			
Similac Advance Stage 1	.	.	.
Similac Soy Isomil	.	.	.

Store Name _____

Vendor Number _____

Cereals

Brand/Type	oz	Price
General Mills		
Berry Berry Kix	12	.
Cheerios	12	.
Cheerios	18	.
Cheerios	21	.
Cheerios	36	.
Corn Chex	12	.
Corn Chex	18	.
Dora the Explorer	18	.
Honey Kix	12	.
Kix	12	.
Kix	18	.
MultiGrain Cheerios	12	.
MultiGrain Cheerios	18	.
MultiGrain Cheerios	36	.
Rice Chex	12	.
Rice Chex	18	.
Total Whole Grain	16	.
Wheat Chex	14	.
Wheat Chex	19	.
Wheaties	15.6	.
Post		
Alpha-Bits	12	.
Bran Flakes	16	.
Grape-Nuts	20.5	.
Grape-Nuts	29	.
Grape-Nuts Flakes	18	.
Great Grains Banana Nut Crunch	15.5	.
Honey Bunches of Oats Whole Grain Honey Crunch	18	.
Honey Bunches of Oats w/Vanilla Bunches	18	.
Shredded Wheat Honey Nut	20	.

Cereals

Brand/Type	oz	Price
Kellogg's		
All Bran-Complete Wheat Flakes	18	.
Frosted Mini-Wheats	18	.
Frosted Mini-Wheats	24	.
Frosted Mini-Wheats	36	.
Frosted Mini-Wheats Little Bites	15.2	.
Frosted Mini-Wheats Touch of Fruit in the Middle: Raisin	15	.
Frosted Mini-Wheats Touch of Fruit in the Middle: Raspberry	15	.
Malt-O-Meal		
<i>Boxes</i>		
Blueberry Mini Spooners	15	.
Blueberry Mini Spooners	36	.
Frosted Mini Spooners	15	.
Frosted Mini Spooners	36	.
Strawberry Cream Mini Spooners	15	.
Strawberry Cream Mini Spooners	36	.
<i>Bags</i>		
Blueberry Mini Spooners	18	.
Blueberry Mini Spooners	36	.
Frosted Mini Spooners	12	.
Frosted Mini Spooners	13	.
Frosted Mini Spooners	15	.
Frosted Mini Spooners	18	.
Frosted Mini Spooners	27	.
Frosted Mini Spooners	36	.
Strawberry Cream Mini Spooners	18	.
Strawberry Cream Mini Spooners	36	.
Cream of Wheat		
Whole Grain 2 ½ Minute	18	.

Instructions For Completing Form:

- Vendor Number:** Enter authorized WIC Vendor Number as it appears on the Vendor Stamp. New applicants leave this area blank.
- Authorized Vendor Stamp:** Using the Vendor's WIC Stamp, imprint each carbon copy of Pages 1 and 2. A new vendor applicant will leave this area blank.
- Prices:** Provide current, **highest shelf prices** for the **WIC-approved foods**. List prices for **only foods currently stocked**.
- Return this form to the appropriate Local WIC Agency as directed.

*I do hereby certify that the prices entered on the price list are the **current, highest shelf prices** on the date indicated below.*

Printed Name of Authorized Representative	Date
Signature of Authorized Representative	Title

Failure to submit this price list within 30 days of the required submission date may result in a 90-day disqualification of the vendor from the WIC Program or new applicants may be denied WIC authorization.

North Carolina Department of Health and Human Services
 Division of Public Health
 Women's and Children's Health Section
 Nutrition Services Branch

Local Agency Number _____

Local Agency Name _____
 (no abbreviations)

WIC PRICE LIST FOR FREE-STANDING PHARMACIES

Please review the form instructions and certification paragraph prior to completing and signing the form.

_____	_____	Authorized Vendor Stamp
Date	(Store Name)	
()	(Store Address)	
_____	_____	
Phone Number	(City/State/Zip)	

Product	Size	Type	Price
Boost	8 oz	Ready to Feed	.
Boost Kid Essentials	8.25 oz	Ready to Feed	.
EleCare Jr.	14.1 oz	Powder	.
Enfamil EnfaCare	32 oz	Ready to Feed	.
Enfamil EnfaCare	12.8 oz	Powder	.
Nutramigen	13 oz	Concentrate	.
Nutramigen	32 oz	Ready to Feed	.
Nutramigen with Enflora LGG	12.6 oz	Powder	.
Pediasure	8 oz	Ready to Feed	.
Pediasure with Fiber	8 oz	Ready to Feed	.
Similac Alimentum	12.1 oz	Powder	.
Similac Alimentum	32 oz	Ready to Feed	.
Similac Expert Care NeoSure	32 oz	Ready to Feed	.
Similac Expert Care NeoSure	13.1 oz	Powder	.

Instructions For Completing Form:

- Vendor Number:** Enter authorized WIC Vendor Number as it appears on the Vendor Stamp. New applicants leave this area blank.
- Authorized Vendor Stamp:** Using the Vendor's WIC Stamp, imprint each carbon copy of Pages 1 and 2. A new vendor applicant will leave this area blank.
- Prices:** Provide current, **highest shelf prices** for the exempt infant formula and WIC-eligible medical foods. List prices for **only foods currently stocked.**
- Return this form to the appropriate Local WIC Agency as directed.

*I do hereby certify that the prices entered on the price list are the current, **highest shelf prices** on the date indicated below.*

Printed Name of Authorized Representative	Date

Signature of Authorized Representative	Title

Routing: White Copy – State WIC Office Yellow Copy – Local WIC Office Pink Copy – WIC Vendor

North Carolina Department of Health and Human Services
Division of Public Health • Women's and Children's Health Section
Nutrition Services Branch, Attn: Vendor Unit
MSC 1914 Raleigh, NC 27699-1914
Fax: (919) 870-4895

Vendor Number – Use vendor stamp

Above-50-Percent Vendor Self-Declaration Form

Local WIC Agency Name _____ Program Number _____

Please complete regarding projected above-50% vendor status. Be prepared to provide documentation of your status, if requested, by the State WIC Agency.

Store Name _____

Mailing Address _____

City/State/Zip _____

Phone Number (____) _____

Name of Owner _____

I project that the annual WIC redemption for my store will be more than 50% of my total annual food sales.

I project that the annual WIC redemption for my store will **NOT** be more than 50% of my total annual food sales.

(Print Name of Owner, Officer, or Manager)

(Title, if Officer)

(Signature of Owner, Officer, or Manager)

(Date)

ANNUAL WIC REDEMPTION: STATE USE ONLY
WIC redemption from October 1, _____ to September 30, _____ = \$ _____
(Year) (Year)

North Carolina Department of Health and Human Services
Division of Public Health • Women's and Children's Health Section
Nutrition Services Branch, Vendor Unit
MSC 1914, Raleigh, NC 27699-1914
Fax: (919) 870-4895

Vendor Number – Use vendor stamp

COST-CONTAINMENT EXEMPTION FORM FOR FREE-STANDING PHARMACY VENDORS

North Carolina WIC vendors that are free-standing pharmacies can provide only exempt infant formula and WIC-eligible nutritionals (medical foods) through the WIC Program. To confirm that you adhere to this policy, please provide the information requested and sign below.

WIC VENDOR NUMBER _____

PHARMACY NAME: _____

PHARMACY STORE NUMBER: _____

ADDRESS: _____

CITY, STATE, ZIP CODE _____

TELEPHONE: (_____) _____

I, _____, certify that _____
Print Name of Owner/Officer *Print Name of Pharmacy*

provides only exempt infant formula and WIC-eligible nutritionals (medical foods) through the North Carolina WIC Program.

Signature of Owner/Officer *Date*

Title (If Officer)

Please complete this form and return to the Nutrition Services Branch via fax or mail.

North Carolina Department of Health and Human Services
Division of Public Health • Women's and Children's Health Section
Nutrition Services Branch, Vendor Unit
MSC 1914 Raleigh, NC 27699-1914
Fax: (919) 870-4895

Vendor Number – Use vendor stamp

Vendor Authorization Agreement for Direct Deposit (ACH Credits)

Please check only one: New Form Correction/Change

VENDOR NUMBER _____

STORE NAME: _____

ADDRESS: _____

CITY, STATE: _____

ZIP CODE: _____

TELEPHONE: (_____) _____

I (we) hereby authorize the North Carolina - WIC Program, herein called the State WIC Agency, to initiate credit entries to my (our) account. If funds which I am not entitled to are deposited in my account, I (we) authorize the State WIC Agency to direct the financial institutions(s) to return said funds. These credit transactions should be made to the depository bank named below.

DEPOSITORY BANK NAME: _____

BRANCH ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

ROUTING NUMBER: _____ **ACCOUNT NUMBER** _____

BANK TELEPHONE NUMBER: (_____) _____

Please verify routing and account numbers with your bank or corporate office before completing this section.

This authorization is to remain in full force and effective until the State WIC Agency has received written notification from me of its termination.

VENDOR AUTHORIZED PERSON* _____
(PRINT)

(SIGNATURE)

TITLE: _____ DATE: _____

Authorization Agreement (ACH Credits) Form Instructions:

1. Complete this entire Form (please print) and attach a copy of a blank, voided check (no counter/starter checks). The Authorization Agreement Form will not be processed without an attached check.
2. Make a copy of Form for your records and send to Nutrition Services Branch, Attn: Vendor Unit. (**Note:** New Vendor Applicants, give form/check to Local WIC Agency, along with WIC Application).
3. Deposit slips are not acceptable and will not be processed. Savings accounts are ineligible for ACH.

***Only the Vendor Store Manager, Owner / Officer, or Vendor-authorized agent should complete this form.**

ATTACH VOIDED CHECK HERE (NO COUNTERCHECKS)

- Pre-Authorization
- Second Pre-Authorization
- Routine
- Follow-up
- Special Request

Vendor Number – Use vendor stamp

WIC VENDOR MONITORING REPORT

Program No.: _____ WIC Program Name (no abbreviations): _____ WIC Vendor Name & Store #: _____

Vendor Number: _____ Date of Visit: _____ Current Store Manager's Name: _____

I. FOOD INSTRUMENT (FI) / CASH-VALUE VOUCHER (CVV) TRANSACTION

Review a sample of FIs and CVVs present in the store for accuracy of completion.

Were FIs and CVVs completed for:

	Yes	No	None Available	Comments: (Include FI / CVV number for those not transacted properly)
Date transacted	<input type="checkbox"/>	<input type="checkbox"/>		_____
Pay exactly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Signature	<input type="checkbox"/>	<input type="checkbox"/>		_____

II. PHARMACY SERVICES (where applicable)

(Free-standing Pharmacies complete page one only)

Vendor agrees to supply exempt formula within 24 to 48 hours of request from Local WIC Agency.

- Yes No Not Applicable

III. INFANT FORMULA SUPPLIER(S) (View sample of receipts for last quarter)

- Approved supplier Not approved supplier
 Vendor unable to produce infant formula receipts. Explain: _____

IV. VENDOR PROCEDURES Monitor Reviewed:

- cashier procedure for FI and CVV transactions
 procedure for reporting problem participants, problem FIs and problem CVVs

V. INVENTORY OF WIC AUTHORIZED FOODS (See page 2)

¹Contact your Local WIC Agency for a listing of N.C. WIC-approved foods.

²Do not include expired foods in "Quantity in Stock" column. ³Coded

VI. QUALITY OF SERVICE (To be completed after Section V, page 2)

- Does the vendor permit WIC customers to buy non-WIC food items with WIC FIs or CVVs?
 Yes No
- Are the WIC customers allowed the same courtesies as non-WIC customers?
 Yes No
- Problems/complaints/comments expressed by vendor.

- Vendor needs follow-up training. Yes No
 If yes, date scheduled: _____

VII. MONITORING VISIT FINDINGS Complete Section A OR B

A. No deficiencies found

I verify that this store was monitored on this date. The findings in this report have been discussed by both representatives signing this form.

_____/_____/_____
 Authorized Vendor Representative Title Date

_____/_____/_____
 Local WIC Agency Monitor Title Date

B. Deficiencies found

I, the Authorized Vendor/Representative, verify that this store was monitored on this date and that the WIC Monitor discussed the findings in this report with me prior to my signing. I understand that the WIC Monitor determined that this store is not in compliance with certain WIC Program requirements; that this report serves as a warning regarding compliance with those requirements; that this store will be re-monitored; and that a finding of noncompliance during re-monitoring could result in this store being disqualified from the WIC Program. The following is my plan and time frame to correct deficiencies:

_____/_____/_____
 Authorized Vendor Representative Title Date

I, the WIC Monitor, verify that I monitored this store on this date; found it not to be in compliance with certain WIC Program requirements as specified in this report; and explained to the Authorized Vendor/Representative the statements contained in paragraph VII. B. of this report.

_____/_____/_____
 Local WIC Agency Monitor Title Date

Monitor Contact Phone # () _____

Monitor Contact E-mail _____

V. INVENTORY OF WIC APPROVED FOODS

Required Food Item, Size and Quantity ¹	Type(s) ¹	Quantity In Stock ²	Current Shelf Price Marked Yes/No	Shortage (Quantity and/or Type)	Valid Expiration Dates Yes/No/C ³	Expired Foods: Size, Type, Quantity, Expiration Dates
						Additional Comments
Fluid milk	2 gallons	Whole fluid: gallon				
	4 gallons	Skim/Low-Fat (1%) fluid: gallon				
Cheese	2 pounds	16-ounce (1-pound) package				
Eggs	2 dozen	Grade A Large - White				
Cereals	6 packages total combined	2 types, Min. size: 12 ounces (refer to UPC listing) Whole Grain Only				
Juices	4 containers	Single strength, 64-ounce container				
	4 containers	Single strength, 48-ounce container				
Dried peas and beans	2 packages	1-pound package				
Peanut butter	2 containers	16 to 18-ounce container				
Infant cereal	6 boxes	8-ounce box				
Infant Formula	34 cans	Similac Advance, Concentrate, 12-13 ounces				
	17 cans	Similac Soy Isomil, Concentrate, 12-13 ounces				
	10 cans	Similac Advance, Powder, 11-14 ounces				
	5 cans	Similac Soy Isomil, Powder, 11-14 ounces				
Fruit	6 cans total combined	2 varieties- 14 to 16-ounce can without added sugar, fats, oils, or salt				
Vegetable (Excludes foods in Dried Peas and Beans category)	6 cans total combined	2 varieties- 14 to 16-ounce can without added sugar, fats, or oils				

¹Contact your Local WIC Agency for a listing of N.C. WIC-approved foods ²Do not include expired foods in "Quantity in Stock" column. ³Coded

Vendor Stamp Number (Use vendor stamp only)

N. C. WIC VENDOR INFORMATION UPDATE

Complete ALL sections – **no blank spaces, no "N/A"** (typewritten or print – blue or black ink).
Sign & date form.

SECTION I: Current Store Information / Store Management

Store Name (include store #): _____ Phone No.: () _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Street Address: _____

City: _____ State: _____ Zip: _____

SNAP Permit Number _____ Store Federal Tax ID # _____

Business Hours: Sunday _____ AM / PM - _____ AM / PM Thursday _____ AM / PM - _____ AM / PM
(Circle AM or PM) Monday _____ AM / PM - _____ AM / PM Friday _____ AM / PM - _____ AM / PM
Tuesday _____ AM / PM - _____ AM / PM Saturday _____ AM / PM - _____ AM / PM
Wednesday _____ AM / PM - _____ AM / PM

Total number of registers in this store (including U-Scans) _____

Number of registers with scanning devices _____ Number of scanning devices that identify WIC-approved foods _____

Name of supplier(s) of infant formula (see list of authorized sources): _____

Store Manager's (Full) Name: (Circle one: Mr. Mrs. Ms.) _____
First Middle Last

Is the Store Manager the primary contact for the store? Yes No

If no, provide primary contact name and telephone: _____
First Middle Last Phone #

Does the store have internet access? Yes No Email address: _____

Percentage of total food sales comes from: WIC _____ % SNAP _____ % Cash _____ % Credit/Debit _____ % (must total 100%)

SECTION II: Store Ownership Information

Type of Ownership: (check one) Individual Partnership Limited Partnership Corporation LLC

If incorporated or LLC, Corporate/Company Name: _____

Physical address of regional/corporate headquarters: _____

City: _____ State: _____ Zip: _____ Phone No.: () _____

Mailing address of regional/corporate headquarters (if not same as physical address): _____

City: _____ State: _____ Zip: _____ Phone No.: () _____

Owner/Officer #1: Name: (Mr. Mrs. Ms.) _____ Title (If Officer): _____

Residential Address: _____

City: _____ State: _____ Zip: _____ Phone No.: () _____

Percentage of business/shares owned: _____%. Please list the complete name and physical location of other store(s) owned:

Owner/Officer #2: Name: (Mr. Mrs. Ms.) _____ Title (If Officer): _____

Residential Address: _____

City: _____ State: _____ Zip: _____ Phone No.: () _____

Percentage of business/shares owned: _____%. Please list the complete name and physical location of other store(s) owned:

SECTION III: Business Integrity

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: _____

This institution is an equal opportunity provider.

Vendor Information Update (DHHS 779) Form Instructions:

REMINDERS:

- Form must be typed or completed in ink (black or blue ink, using print). Do **not** use correction fluid/tape or write over errors.
- The Local WIC Agency program number and name (**no abbreviations**) must be documented on the appropriate lines.
- Using the vendor's stamp, imprint (**written stamp numbers are not acceptable**) WIC number in the box in the top right corner.

Section I – Current Store Information / Store Management

- Provide store name (include store number), phone number, mailing address, and physical street address.
- SNAP Permit Number: Provide 7-digit Supplemental Nutrition Assistance Program (SNAP) permit number.
- Federal Tax ID #: Provide the business Federal Tax Identification number.
- Business Hours: Provide hours of operation, circling 'AM' or 'PM' for opening and closing times.
- Registers: Total number of all registers in the store, including U-Scans.
- Registers with Scanning Devices: Total number of scanners used with your registers.
- Scanning devices that identify WIC-approved foods: Number of scanning devices to identify WIC-authorized foods.
- Supplier of infant formula: List all suppliers of infant formula (refer to authorized supplier list).
- Store Manager's Name: Circle title of courtesy (Mr., Mrs., or Ms.). Type/print Store Manager's full name (first, middle, last). Do not use initials. If there is no middle name, write "NMN".
- Check 'Yes' or 'No' to whether Store Manager is the primary contact. If 'No', provide primary contact name and telephone.
- Internet Access: Check 'Yes' or 'No' to whether the store has internet access/capabilities.
- Email address: Provide an email address for the store/owner.
- Percentage of total food sales: Provide percentage (%) of total food sales expected from WIC, SNAP, Cash, & Credit/Debit sales.

Section II – Store Ownership Information

- Type of ownership: Check only one (1) type of ownership. If type of ownership is a limited partnership, corporation, or LLC, provide the name, mailing and physical addresses, and phone number of the limited partnership, corporation or LLC.
- Only one (1) owner allowed per line. If more than 2 owners use a separate sheet of paper to document additional owners.
- Store Owner:
 - Circle the appropriate title of courtesy (Mr., Mrs., or Ms.). Type or print store owner's full name (first, middle, last). Do not use initials. If there is no middle name, write "NMN". Provide Title, if Store Officer.
 - Type or print owner's residential address and the owner's residential telephone number.
 - List the percentage of business/shares owned.
 - List all other stores and physical addresses owned by Store Owner. Use additional paper, if necessary (more than 1 store).
 - Repeat the above steps for each Store Owner, using Page 3a of the WIC Vendor Application (DHHS 3282) to document more than 2 store owners/officers.

Section III – Business Integrity

- Read and answer the question listed. If "yes" is checked, explain answer in space provided. An additional sheet of paper may be attached, if necessary.
- The Store Owner/Officer must sign and date. Provide Title of Officer, if Officer signs.

The Local WIC Agency retains the Yellow copy of completed Update form and returns White copy to the State WIC Agency.

RETENTION AND DISPOSITION:

This form must be retained in accordance with records retention requirements of the North Carolina Department of Cultural Resources and the North Carolina Department of Health and Human Services.

REORDER: Nutrition Services Branch, 1914 Mail Service Center, Raleigh, NC 27699-1914 Courier 54-42-01 (Use DHHS 779)

SAMPLE LETTER FROM VENDOR TO BANK
(EXISTING VENDOR)

Dear Banker:

My store participates in the United States Department of Agriculture (USDA) Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The WIC Program provides payment to my store for the foods provided through the use of WIC food instruments and cash-value vouchers.

The WIC food instruments and cash-value vouchers are designed for deposit in my bank account and delivery by your bank through normal banking channels. They are payable at par through the Citizens Alliance Bank – Howard Lake Branch in Clara City, Minnesota. The color of the NC WIC food instrument is lavender and the NC WIC cash-value voucher is light orange.

If you have any questions, please contact me or _____, our Local WIC Director, at _____, telephone number _____.

Sincerely,

Vendor Name
Authorized WIC Vendor No. 0000

SAMPLE LETTER FROM VENDOR TO BANK
(NEW VENDOR)

Dear Banker:

My store will be participating in the United States Department of Agriculture (USDA) Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The WIC Program provides payment to my store for the foods provided through the use of WIC food instruments and cash-value vouchers.

The WIC food instruments and cash-value vouchers are designed for deposit in my bank account and delivery by your bank through normal banking channels. They are payable at par through the Citizens Alliance Bank - Howard Lake Branch in Clara City, Minnesota. The color of the NC WIC food instrument is lavender and the NC WIC cash-value voucher is light orange.

If you have any questions, please contact me or _____, our Local WIC Director, at _____, telephone number _____.

Sincerely,

Vendor Name
Authorized WIC Vendor No. 0000

WIC VENDOR MANAGEMENT CUSTOMER SERVICE ISSUES FORM

SECTION I: CUSTOMER SERVICE ISSUE DOCUMENTATION

STAFF NAME: _____ TITLE: _____

AGENCY: _____ DATE: _____

ISSUE CREATION DATE: _____

INCIDENT DATE: _____

TARGET RESOLUTION DATE: _____

IS ISSUE CONFIDENTIAL? Yes No

ISSUE REPORTED BY:

Family/Participant Family ID _____
 WIC Staff User ID _____
 Vendor Vendor ID _____
 Other Comments _____
 Anonymous

ISSUE REPORTED ABOUT:

Family/Participant Family ID _____
 WIC Staff User ID _____
 Vendor Vendor ID _____
 Policy/Procedure Comments _____
 Other Comments _____

ISSUE TYPE: _____

ASSIGNED TO:

State WIC Agency
 Local WIC Agency Name of Local Agency _____
 Clinic Name of Clinic _____

DESCRIPTION OF ISSUE(S):

SECTION II: RESOLUTION OF ISSUE(S):

**WIC VENDOR MANAGEMENT
CUSTOMER SERVICE ISSUES FORM**

- PURPOSE** To report service issues about WIC vendor activity.
- PREPARATION** The Local WIC Agency staff must complete Section I of the form. It may be faxed to the WIC Vendor Unit at 919-870-4895 or mailed to the following address:
- WIC Vendor Unit
Nutrition Services Branch - Division of Public Health
1914 Mail Services Center
Raleigh, North Carolina 27699-1914
- RETENTION AND DISPOSITION** This form must be retained in accordance with records retention requirements of the North Carolina Department of Cultural Resources and the North Carolina Department of Health and Human Services.



Helpful WIC Hints

There are two types of food instruments (FIs) and cash-value vouchers (CVVs):

- **Printed:** Everything is printed from a computer; or
- **Pre-printed:** Computer and handwritten
 - Family Name and Family ID (F-ID) number
 - First Date to Spend and Last Date to Spend

Q. What if the FI lists one (1) gallon of milk and the WIC customer has two (2) half-gallons of milk?

A. Politely let the WIC customer know that is not allowed and replace the two (2) half-gallons with one (1) gallon.

Q. Does the WIC customer have to get everything listed on the FI or CVV?

A. No. The WIC customer can get all or only a few of the items listed. However, do not give any change for FIs or CVVs. Charge only for items actually provided.

Q. Can the WIC customer get extra milk instead of cheese listed on the FI?

A. No. Substitutions are not allowed.

Q. If I am out of the formula listed on the FI or CVV, may I substitute?

A. No. Formula is a food prescription and it is very important that the correct brand and type be given.

Q. Does the State WIC Agency provide "WIC Approved" shelf tags?

A. No. If you choose to produce your own, please make sure that they are clearly placed only under WIC supplemental foods to avoid customer confusion.

Q. May I produce "WIC Accepted Here" signs?

A. No. The WIC acronym and its logo are not allowed to be used in advertisement. Acceptable signs to display can be ordered through your Local WIC Agency.

Q. If I go over the Maximum Allowable Price (MAP), is that the same as vendor overcharging?

A. No. "Vendor overcharging" is when a vendor charges a WIC customer more than their current shelf price or charges the WIC customer more than a non-WIC customer. This is a federal violation, which may result in disqualification. "Going over the MAP" is when a vendor charged more than the MAP for their peer group. This will result in payment at the MAP via Automated Clearing House (ACH). A vendor can charge less than the MAP and still overcharge a WIC customer and vice versa.

Q. If a WIC customer presents a FI for contract infant formula, can I accept it at my pharmacy?

A. No. Pharmacies are only allowed to transact exempt infant formula and/or WIC-eligible medical foods.

Q. A WIC customer has a FI with infant fruits and vegetables listed on it. Can I give them any size container as long as it adds up to the number of ounces listed on the FI?

A. No. Infant fruits and vegetables are only WIC-approved in the following sizes: 4-ounce container, 2-pack with 3.5-ounce containers, and 2-pack with 4-ounce containers. Infant meats are only WIC approved in the 2.5-ounce container. For more information about the number of containers, which can be purchased, based on the ounces listed on a FI, see the flyer entitled "*Shopping for Infant Foods with WIC Food Instruments.*" It can be obtained from your Local WIC Agency.

Q. If I sell my store, can I give the new owner my vendor stamp?

A. No. You must turn in your vendor stamp to the Local WIC Agency. Due to a change in ownership, your WIC Vendor Agreement will be terminated. The new owner must apply for WIC authorization in order to accept WIC FIs or CVVs.

Routine Monitoring, Compliance Investigations, and Sanctions

- **Please read your WIC Vendor Manual carefully. Ask questions if you do not understand any part.** It is very important that you understand routine monitoring, compliance investigations (inventory audits and compliance buys), and the sanction system.
- Federal WIC regulations require the State WIC Agency to monitor its vendors for compliance with WIC Program requirements. Vendors are primarily monitored for program compliance through routine monitoring and compliance investigations. If violations are found, sanctions may be assessed.
- All routine monitoring visits will be **unannounced**. During that visit, the Local WIC Agency representative will review:
 - Any food instrument (FI) or cash-value voucher (CVV) on hand;
 - WIC minimum inventory (retail vendors);
 - If shortages are identified, you will need to restock. Retail vendors are required to meet WIC minimum inventory requirements at all times.
 - Current shelf prices marked; and
 - Valid expiration dates
 - Vendors should check all WIC supplemental foods for valid expiration dates and any found out of date must be pulled from the shelf immediately so customers will not purchase them.
 - If deficiencies are found, a vendor may receive a Notice of Violation detailing violations committed and the Local WIC Agency will re-monitor the vendor.
- An inventory audit is the examination of a vendor's food invoices, receipts, copies of purchase orders, and any other proofs of purchase to determine whether a vendor has purchased sufficient quantities of supplemental foods to provide participants the quantities specified on FIs redeemed by the vendor during a given period of time.
- A compliance buy investigation is a covert, on-site investigation in which a representative of the WIC Program poses as a participant, parent, proxy, or caretaker of an infant or child participant. The representative transacts one (1) or more FIs or CVVs and does not reveal during the visits that he or she is a WIC Program representative.
- Sanctions from routine monitoring and compliance investigations can result in disqualification from the WIC Program and may also lead to disqualification from the Supplemental Nutrition Assistance Program (SNAP) Program.

For questions and technical assistance contact:



N.C. Department of Health and Human Services • Division of Public Health • Nutrition Services Branch
www.ncdhs.gov • www.nutritionnc.com
This institution is an equal opportunity provider and employer.

**North Carolina Approved Sources (Suppliers) of
Infant Formula, Exempt Infant Formula, and WIC-Eligible Nutritionals (Medical Foods)
Effective October 2016**

List with addresses available online at www.nutritionnc.com

MANUFACTURERS

Abbott Nutrition
Mead Johnson Nutritionals
Nestle, Infant Nutrition
Nutricia North America
PBM Nutritionals, LLC
Prolacta Bioscience*

(Per USDA, Prolacta human milk products are not WIC-eligible formulas, and therefore should not be purchased by vendors for sale to WIC participants.)*

RETAILERS

Bi-Lo
CVS Pharmacies
Food Lion
Harris Teeter
Hometown Proud IGA
Ingles (Sav Mor)
Just Save
Kroger
Lowe's Foods
Publix
Target
Walmart / Sam's Club
Walgreens

WHOLESALERS

Adams Wholesale Inc.
AmerisourceBergen
Associated Wholesale Grocers Inc.
C & S Food
Cardinal Health
Coastal Wholesale
Fred's Food Club
H. T. Hackney
Holladay Surgical Supply
Ideal Wholesale Grocers, Inc.
J. T. Davenport and Sons
La Tortilleria
Layman Distributing
McKesson
M. R. Williams, Inc.
Merchants Distributors Inc. (MDI)
Mitchell Grocery Corporation
Moseley & Reece
NC Mutual Drugs
North South Wholesale
Reidsville Grocery
Smith Drug Co
SouthCo Distributing
SpartanNash (formerly Nash Finch)
Super Valu, Inc.
Thomas and Howard Company
W. Lee Flowers and Co.

Food Sales Fact Sheet

A vendor may include in the food sales amount reported to the State WIC Agency any item that may be purchased with Supplemental Nutrition Assistance Program (SNAP) benefits.

“Food sales” includes sales of —

- Foods for the household to eat, such as:
 - Breads and cereals;
 - Fruits and vegetables;
 - Meats, fish, and poultry; and
 - Dairy products
- Coffee, tea, cocoa, carbonated and noncarbonated drinks, ice, candy, condiments and spices, when sold along with the items above;
- Snack foods (e.g., potato chips and cupcakes);
- Cold, ready-to-eat foods intended for off-premises consumption only;
- Specialty foods (such as diabetic and dietetic foods), enriched or fortified foods, infant formulas, and certain health food items;
 - Examples include weight loss products (e.g., Slim Fast), Pedialyte, Ensure, wheat germ, and brewer’s yeast.
 - If the ordinary use of the item is as a food, rather than for as a medicine or therapeutic agent, it may be included in food sales.
- Vegetable oils, shortening, and food coloring; and
- Cooking wine, wine vinegar, flavorings, extracts.

“Food sales” does not include sales of —

- Any nonfood items, such as:
 - Pet foods;
 - Soaps, paper products; and
 - Household supplies
- Beer, wine, liquor, and all other alcoholic beverages;
- Cigarettes, cigars, and all other tobacco products;
- Vitamins and medicines;
- Foods that will be eaten in the store; and
- Hot foods and hot food products (e.g. soups, roasted chicken, coffee, steamed seafood).



VENDOR DISCOUNTS

A vendor discount is an in-store promotion that reduces the price or increases the quantity of a given product. Please remember that per Federal regulations [7 CFR 246.12 (h)(3)(iii)], WIC-authorized vendors may not treat WIC customers differently by not extending the same vendor discounts to them that are extended to non-WIC customers. Similarly, WIC authorized vendors may not treat WIC customers differently by offering them vendor discounts that are not offered to non-WIC customers. Common vendor discounts are listed below:

Buy One, Get One Free (BOGO)

In this promotion, the WIC-authorized vendor sells one WIC food item and provides a second identical food item or a different item at no additional cost. For example, a vendor offers a free box of cereal with each box of cereal that is purchased. This is a quantity discount. Using a BOGO promotion allows WIC customers to get additional quantities of WIC foods or non-WIC items at no cost. If the free item in a BOGO promotion is a WIC food item, it should not be deducted from the participant's WIC benefits.

Buy One, Get One at a Reduced Price

In this promotion, the WIC vendor sells one WIC food item at full price and sells either a second identical WIC food item or a different food item at a reduced price. For example, a vendor offers a half-price box of cereal with each box of cereal that is purchased at regular price. A buy one, get one at a reduced price promotion is a price discount. In a transaction that only includes WIC items, this discount type only applies when the second, reduced price item is a WIC food item and the WIC customer has the item in his or her benefits balance. In this case, the WIC Program would benefit from this vendor discount by being charged the lower price for the second box of cereal.

Free Ounces Added to Food Item by Manufacturer (Bonus Size Items)

In this promotion, a food manufacturer adds extra ounces to a product at no extra cost to the consumer. For example, instead of offering 16 ounces of cereal in a box, a manufacturer may temporarily offer a bonus size 18 ounce box of cereal at the same price. This promotion is a quantity discount. When a bonus size item is purchased by a WIC customer, the vendor should redeem the WIC food instrument or cash-value voucher as if the original size (16 ounce) item were purchased.

Transaction Discounts

In this type of promotion, the WIC vendor applies a fixed amount discount or a discount percentage to the total dollar amount of the purchase. For example, the offer may be for \$10 off or 10% off when \$50 or more in groceries are purchased. A transaction discount is a price discount on the total purchase. In a transaction that only includes WIC items, the Program would benefit from the vendor discount being applied to the transaction.

Store Loyalty/Rewards Cards

WIC-authorized vendors may provide a card or token that provides additional vendor discounts for frequent or regular customers. WIC customers are not required to use loyalty/rewards cards, nor are WIC-authorized vendors required to scan a "dummy" card for WIC customers who do not have their own cards. Store loyalty/rewards cards may provide a variety of quantity and/or price discounts. These vendor discounts should be processed by vendors as outlined above, according to type.

Manufacturers' Cents Off Coupons

Manufacturers' cents off coupons allow customers to purchase certain items at a lower price. For example, a coupon may offer a price discount of 50 cents off a box of cereal. In a transaction that only includes WIC items, the value of the coupon would be applied to the WIC transaction, thus benefiting the Program.

NOTE: Cash back is not permitted as a result of vendor discounts in any WIC transaction. Also, although there are different types of vendor discounts that can be used, the WIC customer is not responsible for paying tax which results from the use of the vendor discount, e.g., the value of a coupon. In addition as with any WIC transaction, vendors should not return any change to the WIC customer.

If you have any questions related to vendor discounts, please contact your Local WIC Agency.

