

Vendor Routine Monitoring

What is Routine Monitoring?

- Unannounced, on-site visits to authorized vendors as a means to check compliance with WIC Program regulations
- Required by federal regulations
- Supports integrity of the WIC Program and protects against fraud
- Completed by Local WIC Agency staff



Basic Components of Monitoring

- Check pharmacy services for exempt infant formulas, (where applicable)
- Review invoices/receipts for infant formula sources
- Review vendor procedures for eWIC and split tender transactions



Basic Components of Monitoring

- Ensure eWIC equipment accessibility and compliance with minimum lane coverage criteria
- Review quality of service and treatment of WIC customers
- Does the vendor need follow-up training?
- Assure required minimum inventory is available, fresh and clearly marked with shelf price



North Carolina Department of Health and Human Services
 Division of Public Health - Women and Children's Health Section
 Nutrition Services Branch, Ann. Vendor Unit
 302-719-3444, NC 27585-1314

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

WIC VENDOR MONITORING REPORT

WIC Program Name (no abbreviations): _____ WIC Vendor Name & Store #: _____
 Vendor Number: _____ Date of Visit: _____ Current Store Manager's Name: _____

The 5 Different Types of Monitoring Visits

1. Pre-authorization
 - **Only** type of monitoring visit that is announced
2. Second Pre-authorization
3. Routine
4. Follow-up
5. Special Request



1. Pre-authorization

Retail Vendors complete sections:

- I. Pharmacy Services, (when applicable)
- II. Infant Formula Source(s)
- III. Vendor Procedures (review only)
- V. Inventory
- VII. Findings

Pharmacy Vendors complete sections:

- I. Pharmacy Services
- II. Infant Formula Source(s)
- III. Vendor Procedures (review only)
- VII. Findings



2. Second Pre-Authorization

- Hold the first pre-authorization monitoring report if vendor applicant fails
- Complete the second Pre-Authorization monitoring report within 14 days
- Mail both reports at the same time to the State WIC Agency



3. Routine

Routine Monitoring Requirements:

- Monitor at least 1/3 of all vendors each year
- Each vendor must be monitored at least once every 3 years
- Annual monitoring is required for vendors with 2 or more occurrences of any violation/sanction in the previous year or a recent disqualification
- New vendors by the end of the following Federal fiscal year must be monitored

! Note: Mail reports within 2 days of monitoring visit



3. Routine

Note Regarding Sanctions:

- Sanctions (each occurrence of a violation) remain on a vendor's record for 1 year after the date of visit
 - > If you monitored store XYZ on April 15th last year and they passed the monitoring visit, **do not** monitor the store before April 15th this year
 - **Important if they had any sanctions last year, prior to the clean visit**
- As a general rule, monitor a year plus a day after the last monitoring visit
 - > In certain instances, there are exceptions to this rule, especially as the date approaches September 30th. For further explanation, contact your Vendor Consultant



4. Follow-up Monitoring

- Follow-up when deficiencies are found
- Complete within 21 days
 - **If follow-up cannot be done, document in vendor's record**
- Continue until vendor has no deficiencies or reaches the point of disqualification
- **DO NOT** complete a follow-up monitoring visit for a vendor before receiving a copy of the Notice of Violation (NOV) for the prior visit. If you do not receive a copy of NOV letter within two weeks of sending the monitoring report to the State Agency, contact your Vendor Consultant



4. Follow-up Monitoring

- If a vendor reaches the point of disqualification:
 - **DO NOT** continue to go back for additional monitoring visits
 - The Nutrition Services Branch will request participant hardship information
 - Vendor may be disqualified or be assessed a civil money penalty



5. Special Request Monitoring

- Must monitor within 7 days when requested by Nutrition Services Branch



Monitoring Toolbox Items

- Official agency name badge
- Clipboard
- **Current year** WIC Vendor Monitoring Report
- Blank WIC Vendor Information Update forms
- Approved Infant Formula Source List
- Vendor Quarterly Redemption Report
- State Vendor Consultant's phone number
- Your business card or contact information
- Copy of instructions for completing Monitoring Report



Stop!



8 Steps to a Successful Monitoring

1

Prepare as much of the monitoring report in your office and check for accuracy

2

Take your monitoring "toolbox"

3

Check in with manager and ask for formula receipts

4

Accurately complete Section V, the inventory check, on page 2 of the report.



8 Steps to a Successful Monitoring continued

5

Review formula receipts and document findings in Section II.

6

Discuss findings with manager and complete Section VI: Quality of Service

7

Complete and sign Section VII: Monitoring Visit Findings

8

Mail report to State WIC Agency within 2 days of visit

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State of California Department of Health and Human Services
Division of Child and Family Well-Being

Pre-authorization Routine
 Second Pre-authorization Routine
 Special Request

WIC VENDOR MONITORING REPORT

WIC Program State (or other address): _____ WIC Vendor State & Store #: _____
Vendor Number: _____ Date of Visit: _____ Contact Store Manager's Name: _____

I. PHARMACY SERVICES (unless applicable)
Vendor is a pharmacy (complete page one only)
Vendor agrees to supply enough formula within 24 to 48 hours of request from Local WIC Agency
 Yes No Not applicable

II. INFANT FORMULA SOURCES (View sample of receipts for last quarter)
 Approved source (complete) Not approved source (complete)
 Vendor unable to provide infant formula receipts - Explain: _____

III. VENDOR PROCEDURES (Include document)
 Culture procedure for eWIC transactions
 Culture procedure for gift vendor transactions (procedures that allow the participant, authorized representative to carry out the following when state or separate procedures match the value of the work-order benefit)
 Procedure for reporting problem participants and eWIC transactions

IV. eWIC EQUIPMENT (See criteria and end of this page)
 Issues that equipment used to transmit eWIC is accessible to the WIC participant
 Number of eWIC POS terminals _____
 More terminals than average centers
 Does not meet minimum base average criteria

V. INVENTORY OF WIC AUTHORIZED FOODS (See page 2)
Table to use when the WIC Vendor Transaction Check sheet listing of WIC WIC-approved foods.

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 eWIC benefits?
 Yes No

1. Are the WIC customers offered the same services as non-WIC customers?
 Yes No

2. Problem/complaint comments expressed by vendor:

3. Vendor track following training: Yes No
If yes, date scheduled: _____

VII. MONITORING VISIT FINDINGS (Complete Section A OR B)
A. No deficiencies found
I certify that this store was inspected on this date. The findings in this report have been discussed by both representatives signing this form.

Authorized Vendor Representative: _____ Title: _____
Date: _____

WIC Monitor: _____ Title: _____
Date: _____

B. Deficiencies found
I, the Authorized Vendor Representative, verify that this store was inspected 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 in compliance with certain WIC Program requirements, that this report serves as a warning regarding compliance with these requirements, and this store will be considered not in full compliance during re-monitoring until such time as this store has demonstrated to the WIC Program. The following are the deficiencies found in current follow-up:

WIC Monitor: _____ Title: _____
Contact Phone # (): _____
Contact Email: _____

Page 1 of 2

Monitoring Free-standing Pharmacies

Complete only Page 1 of the Vendor Monitoring Report

Section V on Page 2 **should not** be completed for free-standing pharmacies

Section I Pharmacy Services

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



Document
• Yes
• No
• Not Applicable



Section I Pharmacy Services

- Corporate grocery stores that have participating pharmacies include:
 - Food Lion
 - Harris Teeter
 - Ingles
 - Lowes
 - Publix
 - Walmart
- Local Agency staff are required to check that the pharmacies located within these stores, are supplying formula upon request.



Section II Infant Formula Sources

- Vendor must provide receipts from an approved infant formula source
- Document 'Approved Supplier,' 'Not Approved Supplier' or 'Vendor Unable to Produce Infant Formula Receipts'
- If vendor is unable to produce infant formula receipts, document when the vendor intends to produce the receipts: Must be within 21 days
- If vendor is unable to produce infant formula receipts within 21 days of monitoring visit, it is considered a deficiency, even if no other deficiencies are noted within the monitoring visit



Section III Vendor Procedures

Review the following:

Cashier procedure for eWIC transactions

↓

Cashier procedure for split tender

↓

Procedure for reporting problems with participants and eWIC transactions

Section IV eWIC Equipment

IV. eWIC EQUIPMENT (See criteria listed on back of this page)

Ensure that equipment used to transact eWIC is accessible to the WIC participant

Number of eWIC POS terminals:

Meets minimum lane coverage criteria

Does not meet minimum lane coverage criteria

Minimum Lane Coverage Guidelines for Superstores and Supermarkets

- 1 Point-of-Sale (POS) terminal is required for every \$11,000 in average monthly WIC redemption
- Up to a total of 4 POS terminals **or** the number of lanes, whichever is less

# Of Terminals	Monthly Redemption Threshold
1	\$0- \$11,000
2	\$11,001- \$22,000
3	\$22,001- \$33,000
4	\$33,001 and above

Minimum Lane Coverage Guidelines for All Other Vendors

- 1 Point-of-Sale (POS) terminal is required for every \$8,000 in monthly redemption total

# of Terminals	Monthly Redemption Threshold
1	\$0 - \$8,000
2	\$8,001 - \$16,000
3	\$16,001 - \$24,000
4	\$24,001 & above

- Up to 4 POS terminals **or** the number of lanes in the location, whichever is less

Minimum Lane Coverage Exercise

Question

- Vendor has \$25,000.00 in WIC Redemption
- Vendor has 1 cash register
- Vendor has 1 POS terminal

• Does this meet minimum lane coverage criteria?

Minimum Lane Coverage Exercise

Answer

- Yes
 - Vendor meets minimum lane coverage
 - Vendor only has 1 cash register/lane
 - Vendor has 1 POS terminal
- WIC cannot require a vendor to have multiple cash registers/lanes because of their redemption
 - If they had more registers/lanes, up to 4 would have to be eWIC capable

Minimum Inventory Requirements

Required Food Item, Size and Quantity	Type	
Fluid Milk	2 gallons	Whole fluid: gallon
	6 gallons	Skim/Low Fat fluid: gallon
Cheese	2 packages	1 pound package
Eggs	2 dozen	
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

Minimum Inventory Requirements Cont.

Required Food Item, Size and Quantity	Type	
Infant Cereal	6 boxes	8-ounce box
Infant Formula	8 cans	Gerber Good Start Gentle, Powder, 11.0 to 14.0-ounces
	4 cans	Gerber Good Start Soy, Powder, 11.0 to 14.0 ounces
Infant Fruits & Vegetables	64 ounces	3.5 or 4-ounce container 1 type fruit and 1 type vegetable
Tuna	6 cans	5 to 6-ounce can
Rice	2 packages	14 to 16-ounce package
Bread/Tortillas	2 loaves or packages or 1 loaf and 1 package	16- ounce loaf of bread or package of tortillas
Fruit	10 cans total combined	2 varieties- 14 to 16 ounce can without added sugar, fats, oils or salt
Vegetable	10 cans total combined	2 varieties- 14 to 16 ounce can without added sugar, fats or oils

Whole Grain Cereal and Minimum Inventory

- Only whole grain cereal can count towards minimum inventory.
- Some non-whole grain cereal are currently listed on the authorized product list (APL) and allowed for purchase; however, they **cannot** be counted toward minimum inventory. These include:

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



Valid Expiration Date?

- Items may have:
 - A code
 - A date
 - Nothing
- Date, when available, must be valid
- Count only items within valid expiration date toward required minimum inventory
- Check dates prior to counting and documenting inventory

EXPIRED



Documenting "Type"

- Only Fruits, Vegetables, Adult Breakfast Cereals, and Infant Fruits and Vegetables require a "Type" to be documented
- Remember - Canned Beans (Legumes) are **NOT** a vegetable



Documenting Quantity

Document quantity of approved items on shelf in the "Quantity In Stock" column

- Items must have valid expiration dates only
- Can use "+" system
 - must document "minimum #" then "+"

Example:

- Required Quantity = 4 containers of 64 oz juice
 - Vendor has allowed brands of 3 Orange, 1 Grape, and 2 Apple Juice
 - Document "4+" in "Quantity in stock" column
 - Not necessary to document each flavor individually



Minimum Inventory Requirements Met?

If yes, document the amount in "Quantity in Stock" column

If no, document the deficiency in the "Shortage" column

Required

- 2 types and 10 cans total combination of fruit

In Stock

- 5 cans of peaches

Deficiency

- 5 cans and 1 type

Documenting Quantity and Type Deficiencies

Required

- 2 types and 6 packages Cereal – whole grain only

In Stock

- 4 approved size boxes Honey Kix
- 1 approved size box Cheerios

Deficiency

- 1 box cereal
 - write "1" in the shortage column
 - It is not necessary to write "box"

Documenting Quantity Only Deficiencies

Documenting Expired Foods

Always Document **ALL** 4 components

- Size, Type, Quantity, Date
- Sanctions **cannot** be assessed if a component is missing

If **ALL** items on the shelf are expired

- “—” should be documented in all columns including the “Valid Expiration Date” column and the shortage should be documented
- Document the expired items in the “Expired Foods” column



Documenting Expired Foods Individual Types

If **some** items on shelf have a valid date and **some** do not

- “NO” – should be documented in the “Valid Expiration Dates” column
- An occurrence cannot be assessed if “Yes” is documented



Documenting Expired Foods Combined Types

If all of both types counted toward required minimum inventory have valid dates

- “YES” should be documented in the “Valid Expiration Date” column by both types

If some of the same type counted toward required minimum inventory have a valid date and some do not

- “NO” – should be documented in the “Valid Expiration Dates” column
- Document the expired items in the “Expired Foods” column



Section VII Monitoring Visit Findings

Section VII-A: 'No deficiencies' found

- Authorized Vendor Representative and the WIC Monitor sign, document their title and date their signature

Section VII-B: 'Deficiencies found'

- Vendor must document their plan and time frame to correct any deficiencies documented on the report in Section B
 - Plan must be written in English
- Authorized Vendor Representative and the Local WIC Agency Monitor sign, document their title and write in the date
- Local WIC Agency Monitor must document their phone number and e-mail address



State Vendor Sanctions

The number of occurrences are documented for each violation

The vendor will receive one occurrence for each violation found during the monitoring visit

****Cannot assess two violations for the same item. Most punitive sanction executed.**

A vendor may be disqualified for a certain number of occurrences of a violation. Disqualification periods for violations committed vary.



State Vendor Sanctions

Violations	Disqualification Period
Three occurrences within a 12-month period of failure to stock the minimum inventory	180 days
Three occurrences within a 12-month period of stocking WIC supplemental foods outside of the manufacturer's expiration dates	90 days
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



Local Agency Reminders

- Ensure that the current year's forms are used
- Use your Monitoring Toolbox
- Mail complete reports to the State Agency within 2 business days
- Monitoring instructions are in your Vendor Training Local WIC Agency Staff binder
- Call your Vendor Consultant with questions



Vendor Monitoring Assistance

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QUESTIONS

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

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- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1420 Independence Avenue, SW
Washington, D.C. 20250-9410.
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov.

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