

**WIC and Nutrition Manual**  
**900 Policy Group**  
**Vendor Management**

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# **Vendor Management**

## **900**

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## VENDOR APPLICATION PROCESS

Before any Kentucky eWIC card can be accepted, each vendor applicant must complete the forms contained in the application packet. The applying vendor must receive an initial monitoring visit from the State Agency. This initial visit is performed after a completed application is received/approved and only if the applying owner has taken possession of the store or in the case of a transfer of ownership after the transfer has been completed.

A. For an applying vendor/pharmacy, the State Agency will:

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

B. Perform an initial monitoring visit upon receipt of a properly completed application to determine the following:

- a. Determine if the vendor stocks the minimum stock requirements (MSR). The MSR must be on the shelves or in the stockroom. Expired foods are not counted for meeting MSR.
- b. Verify that the prices of the food items in the store are clearly marked on the shelf, display case, or on the food item itself. Pricing must be displayed to comply with the terms of the Vendor Agreement (WIC-13).
- c. Verify that the prices on the Approved Items Price List (WIC-24), submitted by the vendor, match the shelf, item, or display case price of the WIC approved foods. A cost plus 10% vendor must post the final price (WIC price) on the shelf or on signage in the aisle.
- d. Indicate if the vendor is primarily a retail grocery or convenience store.
- e. Indicate other items sold at this store (e.g., gasoline, lottery tickets, hardware, etc.).
- f. Indicate whether the vendor is eligible based on the review of the criteria for vendor selection.
- g. If the application is to be denied, notify the Vendor Management Supervisor.
- h. Remind the vendor that pharmacies must be able to supply formula within forty-eight (48) hours of the verbal request. (See the Kentucky WIC Vendor Agreement (WIC-13).
- i. Pharmacies are solely authorized for the purpose of providing special formulas. This does not include contract brand formulas or other Category 21 formulas.

## VENDOR AGREEMENT

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

1. An electronic Agreement will be generated by the State Agency for each vendor who meets the criteria for the selection of vendors.
2. The First Party is the State Agency.
3. The Second Party is the authorized vendor.
4. One (1) electronic copy of the signed Vendor Agreement will be on file at the State Agency.

## CHANGE IN VENDOR AGREEMENTS

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

- A. Change in ownership applies to, but is not limited to, the following circumstances:
  1. The owner (individual or corporation) of an authorized WIC vendor sells the business to another person (individual or corporation).
  2. The owner (individual or corporation) of an authorized WIC vendor sells the business to a relative living in the same household.
  3. The owner (individual or corporation) of an authorized WIC vendor leases the store to another person. The lessee becomes the obligating authority.
  4. The sole owner of an authorized WIC vendor dies.
- B. The following procedures shall be followed for changes in ownership:
  1. The vendor must immediately notify the State Agency, in writing, of any change in ownership.
    - a. The WIC stand-beside device, if applicable, must be surrendered to the State Agency. WIC business will cease at the time of the sale of the store or death of the owner; the State Agency must inform the vendor not to redeem food instruments. If the new owner continues to do business using the stand-beside device, the State Agency will assess a monetary claim.
- C. If the store is being closed:
  1. The vendor must immediately notify the State Agency, in writing, of the sale of the business.
  2. The WIC stand-beside device, if applicable, must be surrendered to the State Agency. The State Agency will disconnect all systems transacting Kentucky eWIC benefits.
  3. If the new owner continues to do business using the WIC stand-beside device or integrated POS system, the State Agency will assess a monetary claim.

- D. If the co-owner of an authorized WIC vendor sells the business to the other co-owner(s) that is listed on the Application or Agreement:
1. The vendor must immediately notify the State Agency, in writing, of the sale of the business.
  2. The vendor may continue to do business as usual.
  3. The State Agency will have the owner(s) sign a new Vendor Agreement if the signature is not already on the current Agreement. An Application Update is required.
- E. If the name of the store has changed, but the owner(s) has not sold the business:
1. The vendor must immediately notify the State Agency, in writing, of the name change.
  2. The vendor may continue to do WIC business as usual.
  3. The State Agency will have the owner(s) sign a new Vendor Agreement, which indicates the name change. (See WIC Program Vendor Agreement)
  4. The State Agency will request an Application Update.
- F. If the owner (individual or corporation) of an authorized WIC vendor relocates the store to another site, the following procedures shall be followed:
1. The vendor must immediately notify the State Agency, in writing, of the business's relocation.
    - a. Circumstances surrounding the relocation will determine whether the WIC stand-beside device, if applicable, should be returned and WIC business ceases, i.e., the amount of time the store will be closed, the location of the new store, and if the vendor continues to meet authorization criteria.
  2. The State Agency will have the owner(s) sign a new Vendor Agreement reflecting the change in address.
  3. The State Agency will request an Application Update.

## NONRENEWAL OR TERMINATION OF VENDOR AGREEMENTS

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

1. Not attending annual training
2. Lack of minimum stock requirements
3. Failure to send in all required forms requested by the State Agency
4. Not maintaining authorization criteria

See the Vendor Agreement (WIC-13) and Administrative Regulation 902 KAR 18:050.

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

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

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

C. If a vendor notifies the Local Agency that they wish to terminate the Vendor Agreement, the store is going out of business, or the store has burned or suffered some disaster, the Local Agency will notify the State Agency, in writing, of the situation.

## VENDOR TRAINING AND GUIDANCE

### A. Initial

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

### B. Annual and Additional

Vendor training is provided to prevent Program errors and abuse and improve Program service. The State Agency will provide the annual training for authorized vendors, schedule training sessions, and determine training dates. A vendor who misses their scheduled training in their assigned location **must** attend a makeup session at a different time/location.

#### 1. For annual training, the State Agency must:

- a. Make the arrangements for the training sessions.
  - b. Notify each vendor of the scheduled session's time, date, place, and required attendance. Each vendor must be informed of the training date at least thirty (30) days before the expiration of the Agreement, which is September 30.
  - c. Inform each vendor that:
    - (1) Attendance is required, with no exceptions.
    - (2) A representative of each vendor's location must attend training.
      - a. The person attending training must be employed and work in the store location they represent.
      - b. If the owner or corporate representative is attending the training session and more than one store is contracted, then an appropriate representative from each store must attend the session.
    - (3) If the owner or appropriate person (manager, head cashier, cashier, etc.) does not attend a scheduled training session, the contract will end on September 30 and will not be renewed.
    - (4) Vendor personnel who attend training are responsible for ensuring other employees are properly trained.
  - d. Ensure that each store's representative checks and signs the Vendor Training Checklist (WIC 39). If any item needs to be checked as being understood, then the person conducting the training will review the subject or procedure until it is understood.
- #### 2. The State Agency will provide additional training if requested by the vendor or if deemed necessary by the State Agency.
- a. Documentation must be maintained in the individual vendor file for technical assistance or any additional training.
  - b. Documentation must include the date of the training session, person(s) and their position(s) receiving training for that vendor, the content of the training session, and/or a signed Vendor Training Checklist.

### C. Guidance

#### 1. The State Agency must transmit pertinent information and provide guidance to vendors concerning:

- a. Authorized supplemental foods and a current list of approved products listed in the Kentucky WIC Approved Food List (WIC-40).
- b. Maintaining qualifications to be an authorized vendor, including minimum stock requirements, and submitting appropriate forms.
- c. Correct redemption of WIC benefits.



- d. Contents of the Vendor Agreement, the consequences of Program Abuse, and Attachment D.
- e. Other applicable Federal and State guidelines and instructions.
- f. Procedures for making complaints regarding other vendors or WIC participants.

## VENDOR TRAINING OUTLINE

### A. Content of initial training should include:

#### 1. Explanation of the WIC Program

- a. Eligibility requirements for vendors.
- b. Purpose of the WIC Program.

#### 2. Pharmacy Training

- a. Pharmacies are authorized solely for the purpose of providing special formulas and medical foods.
- b. Allow only the formulas specified – size, type, and quantity.
- c. Purchase formula from sources included on the list provided by the State Agency.
- d. Supply special formulas and medical foods within 48 hours of verbal request of a local agency, participant, or State Agency staff.
- e. Formulas must be within the manufacturer's expiration date.

#### 3. Approved Foods (not applicable for pharmacies)

- a. Post the current Approved Foods List (WIC-40) at each checkout.
- b. Post WIC shelf tags.
- c. Review all approved foods from the WIC-40 or Attachment A-2 of the current KY WIC Vendor Agreement.

##### (1) Formula

- Contract brand formulas
- Allow only the type of formula specified
- Do not substitute or exchange formulas
- No whole, low-fat, skim, evaporated, or goat's milk
- No organic formula
- No oral rehydration fluids or electrolyte solutions, such as Pedialyte
- Purchase formula only from sources included on the list provided by the State Agency

##### (2) Infant cereals

- No additives such as fruit, formula, sugar, yogurt, or DHA & ARA
- 8-ounce container only
- No jars or pouches

##### (3) Infant Fruits and Vegetables – 4-ounce containers only

- Yes, plain fruit or combinations such as peas and carrots, apples and banana, or sweet potato and apple
- Yes organic
- No additives such as sugars, starches, salt/sodium, yogurt, or DHA & ARA
- No dinners, desserts, delights, or puddings
- No pouches

##### (4) Infant Meats – 2.5-ounce containers only

- Yes plain meats with gravy
- Yes organic

- No additives such as fruit, vegetable, or DHA & ARA
- No chicken sticks, turkey sticks or meat sticks
- No Gerber Graduates Lil' Meals, Lil' Sides, or Lil' Entrees
- No oil, sugar, onion, or garlic
- No dinners
- No pouches

(5) Milk

- Fat-free/skim, low-fat (1%), reduced-fat (2%), and whole
- Yes added calcium
- No flavored milk, goat's milk, buttermilk, Vitamite 100, rice, almond, or evaporated milk
- No organic
- No added plant sterols, sterols, DHA, ARA, and/or Omega 3

(6) Cheese

- 8 or 16 ounce packages only
- Yes Brick, Cheddar, Colby, Monterey Jack, Mozzarella, Muenster, Provolone, and Swiss
- Yes block, crumbled, cubed, sliced, shredded, or string
- Yes variety packs/blends, low cholesterol, low or reduced-fat, nonfat, fat-free, added calcium, and low sodium
- No deli cheese of any type
- No American cheese
- No cheese food, cheese product, cheese spread, pasteurized processed cheese, imitation cheese
- No organic cheese
- No added probiotics (e.g., Live Active, etc.)
- No added pepper, pimento, added herbs, spices, seasonings, or flavorings (wine or smoked)

(7) Tofu

- Nasoya, House Foods, Azumaya, and Simple Truth brands only
- 8 or 14 to 16 ounce container
- Yes prepared with calcium/magnesium salts
- Yes organic
- No added fats, sugars, oils, or sodium
- No marinated or seasoned tofu

(8) Soy Milk

- Half gallon or quart size container
- Yes 8<sup>th</sup> Continent Original
- Yes Silk Soy Original
- Yes Pacific Soy Original

(9) Eggs

- Grade A - white - dozen only
- Size small, medium, or large
- Yes cage-free
- No organic, free range, low cholesterol, antibiotic-free, vegetarian fed hen, multigrain diet fed, and growth hormone
- No added Omega 3 or other fatty acids
- No brown eggs

(10) Cereal

- 10 ounces or larger of the following cereals:
- #Denotes Whole Grain Cereal
- B & G Foods Instant Cream of Wheat
- B & G Foods Cream of Wheat Whole Grain#

- B & G Foods Cream of Wheat 2 ½ Minute
- B & G Foods Cream of Wheat 1 Minute
- B & G Foods Cream of Rice
- B & G Foods Cream of Rice Instant
- General Mills Cheerios#
- General Mills Cheerios Ancient Grains#
- General Mills Cheerios Multi-Grain#
- General Mills Cheerios Vanilla Spice#
- General Mills Corn, Rice, or Wheat# Chex
- General Mills Kix#, Honey Kix#, or Berry Berry Kix#
- General Mills Wheaties#
- General Mills Total#
- General Mills Fiber One Honey Clusters#
- Kellogg's All Bran Complete Wheat Flakes#
- Kellogg's Corn Flakes
- Kellogg's Frosted Mini-Wheats Blueberry#
- Kellogg's Frosted Mini-Wheats Cinnamon Roll#
- Kellogg's Frosted Mini-Wheats Original#
- Kellogg's Frosted Mini-Wheats Strawberry#
- Kellogg's Frosted Mini-Wheats Little Bites#
- Kellogg's Frosted Mini-Wheats Golden Honey#
- Kellogg's Rice Krispies
- Post Grape Nuts Original# or Grape Nuts Flakes#
- Post Honey Bunches of Oats Honey Roasted
- Post Honey Bunches of Oats Vanilla Bunches#
- Post Honey Bunches of Oats Whole Grain Honey Crunch#
- Quaker Life Original#
- Quaker Life Multi-Grain Vanilla#
- Quaker Oatmeal Squares Brown Sugar#
- Quaker Oatmeal Squares Golden Maple#
- Quaker Oatmeal Squares Honey Nut#
- Quaker Oatmeal Squares Cinnamon#
- Quaker Original Instant Oatmeal#
- Quaker Grits Original
- Malt O Meal Crispy Rice
- Malt O Meal Frosted Mini Spooners#
- Malt O Meal Strawberry Frosted Mini Spooners#
- Malt O Meal Original Hot Wheat Cereal
- No organic
- No cereals not listed

(11) Juice

- 12 ounce frozen, and 48 or 64 ounce containers
- Yes added calcium
- No 46 ounce vegetable juice
- No 11.5 ounce juice
- No other juices or fruit drinks
- No organic juice
- No V8 Lite, Splash, or Fusion
- No DHA, prebiotics, or artificial sweeteners
- No cocktails
- No juice made with coconut water

(12) Dried beans or dried peas

- Dried – 16 ounce bag

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

(13) Peanut Butter

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

(14) Fresh Fruits & Vegetables

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

(15) Canned Fruits and Vegetables

- Yes organic
- Yes applesauce, unsweetened
- Yes packed in water or natural fruit juice
- Yes any brand or size
- Yes any container type (pouches, metal, glass or plastic)
- Yes spaghetti sauce, salsa, tomato sauce, or paste
- No added sugar, syrup, fats, or artificial sweeteners
- No fruits in gel or jello
- No pie filling, or cranberry sauce
- No creamed vegetables, or added sauce
- No pickled vegetables (i.e. sauerkraut), olives or soup
- No catsup or other condiments

(16) Frozen Fruit and Vegetables

- Yes any brand, variety, or size
- Yes whole, cut, or mixed

- Yes organic
- Yes with or without salt
- No added sugar, syrup, artificial sweeteners, fats, oils
- No added meat, pasta, rice, nuts, cheese, butter, herbs, spices, seasonings, marinades, dressings, condiments, or sauces
- No French fries or tater tots
- No breaded or battered vegetables

(17) Canned Fish – as specified

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

(18) Whole Grains

- Breads
- 16 ounces only
- No white bread
- No organic
- No additives such as herbs, spices, peppers, cheese, tomatoes, or raisins
- Brown Rice
- 14 or 16-ounce package
- Any brand
- Yes instant, quick, or regular
- No organic
- No additives such as herbs, spices, peppers, cheese, or tomatoes
- Tortillas
- 16 ounces package
- Whole wheat and corn
- No organic
- No additives such as herbs, spices, peppers, cheese, spinach, or tomatoes
- 100% Whole Wheat Pasta (16-ounce size only-any brand)
- Any shape (for example, whole wheat rotini, penne, spaghetti, elbows, or linguine)
- No organic
- No egg noodles
- No added cheese, vegetables, sugars, fats, oils, salt (sodium), or other flavorings
- No pasta meals or canned pasta
- No gluten free or brown rice pasta
- No corn flour, chia seed flour, or flax seed

(19) Yogurt

- Children 12-24 Months: whole milk yogurt (32-ounce containers)
- Dannon-Whole Milk Plain, Vanilla, Strawberry
- Meijer- Whole Milk Plain
- Kroger- Whole Milk Plain, Vanilla, and Blended Vanilla
- Our Family- Whole Milk Plain

**Women and Children 2 years and older: low-fat or fat-free yogurt (Multipacks – Must equal 32 ounces)**

- Activia - Vanilla
- Best Choice – Nonfat Plain, low-fat Vanilla, low-fat Strawberry
- Coburn Farms – low-fat Plain, low-fat Vanilla
- Dannon – Nonfat Plain, low-fat Plain, low-fat Vanilla, low-fat Strawberry, low-fat Strawberry Banana
- Essential Everyday – Fat-Free Plain, low fat Plain, low fat Peach, low-fat Strawberry, low-fat Vanilla
- Food Club – Fat-Free Plain, low-fat Vanilla, low-fat Strawberry
- Food Lion –Nonfat Plain, low-fat Vanilla
- Great Value – Nonfat Plain, low-fat Vanilla, low-fat Strawberry Banana, low-fat Strawberry, low fat Peach
- Kroger –Blended low-fat Plain, Blended low-fat Vanilla
- LALA – Nonfat Plain, low-fat Mango, low-fat Strawberry, low-fat Vanilla
- Meijer – Nonfat Plain, low fat Plain, low-fat Strawberry Banana, low-fat Vanilla low fat Blended Strawberry, low fat Blended Strawberry Banana, low fat Blended Blueberry, low fat Light Blended Vanilla, 1.5% Milk Fat Plain
- Morning Fresh- Nonfat Plain, low-fat Vanilla Our Family – Nonfat Plain, Nonfat Vanilla, Nonfat Strawberry, low-fat Vanilla, low-fat Peach, low-fat Strawberry, low-fat Blueberry
- Yoplait –Nonfat Plain, Original low-fat Vanilla, Original low-fat Strawberry Banana, Original low-fat Strawberry, Original low-fat Harvest Peach

NO organic

NO Greek or strained yogurt

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

NO drinkable yogurt bottles or frozen yogurt

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

**4. Minimum Stock Requirements (Retail Grocer only)**

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

**5. Pricing**

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

## 6. Kentucky WIC Approved Shelf Tags

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

## 7. Procedures for Redemption including a review of all the Vendor's Responsibilities.

- a. Comply with all policies and procedures contained in the Manual for Contracted Vendors and Kentucky WIC Vendor Agreement.
- b. Accept only those food instruments issued by the Kentucky WIC Program.
- c. Accept only those food instruments within the issuance dates.
- d. Allow a WIC participant to use other forms of payment for purchases in excess of the benefits.
- e. Allow only approved foods as specified on the food instrument. Do not substitute foods or allow more than the amount of food specified – only cheese may be issued in 2 (8 oz.) quantities to equal 1 lb., and adult cereal may be issued in ounces to be equal to or less than the amounts specified.
- f. To not require the participant, parent, caretaker, or proxy to purchase all foods listed on the food instrument. To not provide rain checks, IOU's, due bills, cash, or any type of credit, or provide incentive items such as diapers, strollers, lottery tickets, etc., to encourage participants to redeem benefits in your store.
- g. Repay to the State Agency any documented overcharges and to refund to the State Agency any payment previously made on improper or invalid food instruments.
- h. Dispense WIC food items to participants, parents, or caretakers of infant or child participants or proxies within the confines of the store, more specifically, within the four (4) walls of the establishment. Drive-up windows and home deliveries are prohibited.
- i. Understand that the scanner system identifying WIC approved foods is not fail-proof; the current WIC Approved Food List is the final authority and should be utilized to avoid confusion.
- j. Allow WIC participants, parents, or caretakers of infant or child participants or proxies to use store loyalty cards, cents-off coupons, "buy one, get one", promotions, and to afford WIC participants the same discounts and benefits as offered other customers.
- k. Buy one, get one free:
  - i. If the cardholder has one or more units and/or a sufficient benefits balance that can be applied to the advertised food item, only the value of the purchased food item shall be deducted from the benefit balance or charged to the WIC Program.
- l. Buy one, get one at a reduced price:
  - i. If the cardholder has at least two of the food items in a benefits balance, then both units shall be deducted from the balance. State WIC Agency reimbursement shall be for the full price for the first food item and the reduced price for the second food item.
  - ii. If the cardholder has only one unit of the food item in the benefit balance, the unit shall be deducted from the balance and cash, or other payment shall be used to purchase the second food item at the reduced price. State WIC Agency reimbursement shall be for the full price of the first food item. The second food item is not reported to the State WIC Agency.
- m. A vendor must not:
  - n. Solicit a WIC participant's business or that of a parent, caretaker, or a proxy on the premises of any Health Department or other authorized WIC Agency.
  - o. Make any physical changes or alterations to the food instrument.
  - p. Honor food instruments that appear to have been altered.
  - q. Substitute any foods or allow more than the amount of food specified on the food instrument.



- r. Allow a WIC participant, parent, caretaker, or proxy to exchange WIC foods for cash or other non-approved items. If a WIC food item is defective, spoiled, or has exceeded its sell-by/use date, etc., an exchange may be made only for the exact brand and size of the original food item returned by the participant.
- s. Request the participant's confidential PIN (personal identification number) or confiscate the eWIC card at any time.
- t. Charge sales tax on WIC foods.
- u. Seek restitution from a participant, parent, caretaker, or proxy for food instruments not paid or fully paid by the WIC Program.
- v. Require a participant, parent, caretaker, or proxy to purchase other foods at the store to redeem WIC food instruments.
- w. Charge the Program for foods not obtained by the participant, parent, caretaker, or proxy.
- x. Make home deliveries.
- y. Improperly utilize the WIC acronym and the WIC logo as they are service marks owned by the Department of Agriculture (USDA), and all rights belong exclusively to USDA.

#### 8. Responsibilities of an eWIC Vendor:

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

#### 9. Not To Exceed (NTE)

- 1) NTE is the maximum amount the WIC Program will pay for a specific food item redeemed at a vendor in a specific peer group. Kentucky classifies its vendors into twelve (12) peer groups based on sales volume and region.
- 2) The NTE is calculated from the prices by Universal Product Code (UPC) that are submitted through eWIC transactions by each authorized retailer.
- 3) An average redemption price is calculated on a weekly basis.

- 4) NTEs are applied to each food item when a transaction is presented for approval. If the price exceeds the NTE, it is reduced to the NTE value in the settlement file. The approved transaction returned to the store indicates if a price was reduced and the amount the vendor will receive as reimbursement for that transaction.
10. Submission of Vendor Sales Information and Sales & Use Tax forms within the time frames required. First offense – sixty (60) days termination; second offense – ninety (90) days termination; and one hundred twenty (120) days for each subsequent offense. Refer to the Kentucky WIC Vendor Agreement.
11. Training
  - a. Vendors may request additional training.
  - b. Vendors are responsible for training their employees.
  - c. Vendors are responsible for all actions of their employees.
12. Sanctions – See Attachment D of the Kentucky WIC Vendor Agreement and State Regulation 902 KAR 18:061.
13. Agreement
  - a. Does not constitute a license of property interest.
  - b. Request that signers read the Agreement in its entirety.
  - c. Void at the time of sale, lease, or death of the owner.
  - d. Reporting of complaints regarding participants or other vendors.
15. Training Tools
  - a. Training information from the State Agency
  - b. Manual for Contracted WIC Vendors
  - c. WIC Approved Food List (WIC-40)
  - d. Kentucky WIC Vendor Agreement (WIC-13)
  - e. Administrative Regulation 902 KAR Chapter 18
  - f. WIC Approved Food Shelf Tags
  - g. WIC Direct Training Videos at [www.youtube.com](http://www.youtube.com) (type “WIC Direct System” in the search window)
  - h. WIC Direct Stand-Beside Cashier Manual
  - i. WIC Direct Stand-Beside Administrator Manual

## VENDOR MONITORING AND VENDOR SANCTIONS

- A. Vendors are monitored to ensure they continue to meet the criteria for selection, detect training needs, prevent Program abuse, and target high-risk vendors.

The State Agency will:

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

# FORMS

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## Kentucky WIC Manual for Applying Vendors

Purpose	This form will be utilized by retailers desiring to be a WIC vendor.
When To Use	This form is sent to a vendor upon request.
Where To Obtain	The manual is distributed directly from the State Agency. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>

## Kentucky WIC Manual for Contracted WIC Vendors

Purpose	This form will be utilized by authorized WIC vendors.
When To Use	This form is sent to the vendor upon authorization.
Where To Obtain	The manual is distributed directly from the State Agency. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>

## Kentucky WIC Program Vendor/Pharmacy Application (WIC 14)

Purpose	This form will be utilized by retailers desiring to be a WIC vendor.
When To Use	This form is sent to a vendor upon request.
Where To Obtain	The vendor application is distributed directly from the State Agency. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>

## Kentucky WIC Program Vendor Application Update (WIC 15)

Purpose	This form will be utilized by retailers updating their WIC vendor information.
When To Use	This form is sent to a vendor upon request.
Where To Obtain	The vendor application update is distributed directly from the State Agency. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>

## Kentucky WIC Vendor Agreement (WIC 13)

Purpose	This form will be utilized by authorized vendors at initial authorization and at contract renewal.
When To Use	This form is sent to a vendor upon authorization from the State Agency.
Where To Obtain	The vendor agreement is distributed directly from the State Agency. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>

## Vendor / Pharmacy Training Checklist (WIC 39)

Purpose	This form indicates items addressed in the training.
When To Use	This form is given to a vendor at the time of initial authorization and at subsequent training sessions.
Where to Obtain	The training checklist is distributed directly from the State Agency. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>

## Kentucky WIC Approved Items Price List (WIC 24)

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

## WIC Vendor Sales Information (WIC 16)

Purpose	This form is to record vendors' non-taxable food and gross sales.
When To Use	This form is sent to a vendor during initial authorization and annual renewal.
Where To Obtain	The vendor sales form is distributed directly from the State Agency. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>

## KENTUCKY WIC APPROVED FOOD LIST

Purpose	This pamphlet is the official list of approved foods.
When To Use	This pamphlet is given to a vendor at the time of initial authorization, on an annual basis, and as requested.
Where to Obtain	The food list pamphlets are ordered directly from the State Agency by the vendor. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>

## KENTUCKY WIC WINDOW DECAL AND SHELF TAGS

Purpose	These tools are used on the windows of the store and on the shelves.
When To Use	These are given to a vendor at the time of initial authorization and upon request.
Where to Obtain	The decals and shelf tags are ordered directly from the State Agency by the vendor. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>



## SAMPLE WIC PURCHASE RECEIPT

Purpose	This receipt shows the WIC approved food items the WIC participant has purchased and the remaining benefit.
When To Use	This receipt is given to the WIC participant following each food purchase.
Instructions	<p>#1 Merchant ID is the eWIC electronic number identifying the vendor.</p> <p>#2 is a list of the WIC approved foods purchased.</p> <p>#3 is the remaining benefit balance.</p> <p>#4 is the expiration date of the benefit balance.</p>

#1 →

**Sale**

CDP Store  
951 Industrial Road  
Frankfort, KY 40601  
(502)695-1999

\*\*\*\*\*

MERCHANT : 0000000001001

TERMINAL : 000000001

Cashier : 1111

Transaction # 000047

Host Trace # 65931

APPROVAL CODE : 098019

CARD ENTRY MODE                      SWIPE

CARD                                      \*\*\*\*\*0544

SALE APPROVED

#2 →

**WIC Items**

Colby Jack Cheese                      \$2.49

#3 →

**WIC Balance Remaining**

0.00 lb Cheese

1.00 doz Eggs

24.00 oz Breakfast Cereal

1.00 cont Beans/Peas/Peanut Butter

32.00 oz w/G Brd/Tort/Rice/Pasta

5.23 \$\$\$ Fruit and Vegetables CVB

32.00 oz Yogurt - Lowfat/Non Fat

3.00 gal 1%, 1/2%, or Skim Milk

2.00 cont 64 oz juice

#4 →

Benefits Expire at midnight 03/31/2020

=====

CVB Amount Requested                      \$0.00

CVB Amount Approved                      \$0.00

CVB Balance Due                              \$0.00

CUSTOMER COPY

## KENTUCKY WIC PROGRAM VENDOR COMPLAINT FORM

Purpose	<p>The completed form serves as documentation of a complaint against a WIC participant by an Authorized WIC Vendor. <b>This form is for a Program Related Complaint.</b></p> <p><b>Note: In the case of a Civil Rights complaint of discrimination, the complaint must be referred to:</b></p> <p><b>1. mail:</b> U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; or</p> <p><b>2. fax:</b> (833) 256-1665 or (202) 690-7442; or</p> <p><b>3. email:</b> <a href="mailto:program.intake@usda.gov">program.intake@usda.gov</a></p>
When To Use	The Form must be completed by vendor personnel and mailed/emailed to the State WIC Agency when an incident that warrants a complaint regarding a WIC participant occurs in the store.
Where to Obtain	This form is sent to a vendor or Local Agency upon request. Contact <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a>
Instructions	<ol style="list-style-type: none"> <li>1. Store name is the name of the vendor's establishment.</li> <li>2. Vendor Number is the unique number that has been assigned by the State Agency.</li> <li>3. Address is the physical location of the store.</li> <li>4. Store personnel's name, title, and phone number.</li> <li>5. eWIC Card number.</li> <li>6. Name of Participant.</li> <li>7. Date and time the event occurred.</li> <li>8. Attach Receipt.</li> <li>9. Details of event.</li> <li>10. Email the form to <a href="mailto:KYWICVendor@ky.gov">KYWICVendor@ky.gov</a></li> </ol>
Local Agency Findings	The State Agency will follow up with the local WIC agency to address the complaint and request from the local WIC agency documentation of actions taken by the local agency as a result of a complaint.
State Agency Findings	The State Agency documents all actions taken and will forward the finalized form to the local WIC agency for their files.
Retention	Forms must be maintained for three (3) federal fiscal years. Destroy by shredding.

Rev. 7/22

### Kentucky WIC Program Vendor Complain Form

Store Name: Click or tap here to enter text.

WIC Vendor #: Click or tap here to enter text.

Address: Click or tap here to enter text.

Phone #: Click or tap here to enter text.

Store Personnel's Name and Title: Click or tap here to enter text.

Complete the information below, if available: