

# GEORGIA WIC PROGRAM VENDOR HANDBOOK



Effective November 15, 2015

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# INTRODUCTION

## The Vendor Handbook

The Georgia Special Supplemental Nutrition Program for Women, Infants and Children (Georgia WIC) Vendor Handbook is an addendum to and incorporated into the Vendor Agreement. Retail grocery vendors, pharmacy vendors and military commissaries must adhere to all information provided in the most recent edition of the Vendor Handbook to ensure compliance with federal and state regulations, rules, policies, and procedures. The vendor's role is important to the success of Georgia WIC. Vendors must assure that only prescribed foods are sold to participants. Prices charged by the vendor must be reasonable and competitive. Competitive prices will enable Georgia WIC to maximize services to its citizens.

## Georgia WIC

WIC is a federally funded special supplemental food program intended to provide supplemental foods, nutrition education, and nutrition counseling to Georgia's citizens. WIC saves lives and improves the health of nutritionally at-risk women, infants, and children. Since its beginning in 1974, the WIC program has earned the reputation of being one of the most successful federally funded programs in the United States. Collective findings of studies, reviews, and reports illustrate that the WIC program is cost-effective in protecting and improving the nutritional status of low-income women, infants, and children.

A list of some of the positive health outcomes associated with WIC participation follows:

- Reduces fetal deaths and infant mortality
- Reductions in the rate of low birth weight infants
- Increases in pregnancy duration
- Improves the growth of nutritionally at-risk infants and children
- Decreases in the incidence of iron deficiency anemia in children
- Improves the dietary intake of pregnant and postpartum women and improves weight gain in pregnant women
- Increases early initiation into prenatal care
- Increases the number of children who have a regular source of medical care
- Helps children get ready to start school
- Improves intellectual development
- Improves children's diets.

Georgia's health professionals determine who is eligible to participate in the WIC program according to criteria established by federal regulations. These health professionals also provide nutrition education, counseling and prescribe nutritious foods. Instruments used to obtain the supplemental foods are called WIC food instruments, which are redeemed through WIC authorized vendors statewide.

# VENDOR AUTHORIZATION AND PARTICIPATION

## Process for Vendor Selection and Authorization

The WIC program is funded by federal tax dollars. Because of this, serving as an authorized WIC vendor is a public trust. Vendor authorization is the process by which the State Agency assesses, selects, and enters into agreements with stores that apply or subsequently reapply to be authorized as WIC vendors. Authorization to participate in the program as a vendor is a privilege, not a right. As a steward of public funds, Georgia WIC must balance the need for participant access with the duty to obtain the lowest fair prices for WIC foods and to prevent fraud.

### Number and Distribution of Authorized Vendors

The Georgia Women, Infants and Children Program shall not discriminate against an applicant or vendor on the basis of race, color, national origin, age, sex, handicap, disability or other impermissible basis as set forth in applicable state or federal law. Federal regulations require that Georgia WIC establish standards for vendor authorization to secure a sufficient number and distribution of vendors that will ensure reasonable participant access and permit effective management of the program. Georgia WIC may establish criteria to limit the number of stores it authorizes as long as the limiting criteria are applied consistently.

The primary method of regulating the number of authorized vendors is through the use of a vendor-to-participant ratio. The vendor-to-participant ratios are determined prior to each application/authorization period. For vendor authorization, exceptions to the vendor-to-participant ratio conclusions may be considered under the following circumstances:

- The need to ensure that each food instrument issuance clinic site in the state has an authorized vendor within a 10 mile radius.
- The need to provide adequate service to participants in a population center of at least ten (10) individuals who have no access to an authorized vendor within a 10 mile radius of the population center.
- The need to provide adequate service to participants when circumstances make it necessary. Those circumstances may include, but are not limited to, the following:
  - A. New clinic site opening;
  - B. Participant caseload increases;
  - C. New participant population center recognized;
  - D. Store closings, either voluntary or due to catastrophe;
  - E. Problems with WIC Program compliance;
  - F. Problems caused by non-compliance with Food Stamp regulations.

## **Application Acceptance Periods; Re-application Limitations After Application Denial**

Applications for WIC vendor authorization will only be accepted during the following periods: Between October 1<sup>st</sup> to December 31<sup>st</sup> and March 1<sup>st</sup> to May 31<sup>st</sup> of each federal fiscal year.

If an application for authorization is denied, the applicant will be barred from reapplication for period of one (1) year with the exception of the Denial Reasons listed below. Denial periods vary based on the reason that an application is denied. At the time that a notification of Denial is issued, applicants will be notified of their reapplication date. Irrespective of the reason for denial, once denied, an applicant who wishes to be reconsidered must allow their Denial Period to expire and re-submit a new application after that date has passed. Applications are not re-considered until new application materials have been submitted.

1. Accepting WIC vouchers prior to Authorization. The denial period is three (3) years.
2. Business Integrity and Related Denials. For Business Integrity or Integrity-related reasons, the denial period will be two (2) years.
3. All Other Reasons for Denial. The denial period is one (1) year.

## **Selection Criteria and Continuing Compliance with Selection Criteria**

The selection criteria represent the minimum requirements to be considered for authorization as a Georgia WIC vendor. All applicants<sup>1</sup> and vendors must meet or exceed **all** of the selection criteria at the time of authorization and maintain compliance throughout the agreement period. Vendors are also required to adhere to **any** changes in the selection criteria made by Georgia WIC during their agreement period, or face termination. Georgia WIC may reassess any authorized vendor at **any** time during the vendor's agreement period using the selection criteria in effect at the time of reassessment, and must terminate the agreement of any vendors that fail to meet the current criteria.

Georgia WIC will deny an application or terminate the vendor agreement if it is determined that the applicant provided false information in connection with the application.

During the application process, Georgia WIC may request additional information that must be provided within the time period specified in the request.

All requested information must be provided in order to process the application. This includes, but is not limited to, Bill of Sale, Articles of Incorporation, Driver's License or State issued ID card, Social Security card, food sales, etc. Applications will not be processed until all information is received by Georgia

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<sup>1</sup> An applicant is defined as: anyone deemed associated with the ownership, management or operation of the applicant entity, including owners, officers, partners and, stockholders, registered agents, the immediate family of owners, officers, or partners. Any facts leading the agency to suspect that an applicant or vendor has a business or close personal connection with a WIC vendor that has a sanction history will be thoroughly investigated.

WIC. Vendor applications that are held pending receipt of additional information will expire ten (10) days after the date of the written request for information.

Failure or difficulty in meeting any of the selection criteria may be used as just cause for denial of a vendor application for authorization. Applicants who are denied authorization may reapply after the expiration of the appropriate denial period.

### **Exception to WIC Limiting and Selection Criteria**

The Georgia WIC Program reserves the right to make exceptions to (waive) the limiting and/or vendor selection criteria to address inadequate participant access to supplemental foods. However, competitive pricing and meeting the minimum WIC approved food stocking requirements are **not** waivable, per federal regulations.

#### **Inadequate Participant Access**

Federal regulations require that the State Agency ensures that all WIC participants have adequate access to purchase their WIC food items. By ensuring adequate access to authorized vendors, the Program assists WIC participants in meeting their nutritional goals. Participant access is not defined as participant convenience or preference. Inadequate participant access would cause a hardship to participants. Denial based upon the selection criteria may be waived (see “Exception to WIC Limiting and Selection Criteria”). The Georgia WIC Program will review participant access on a case-by-case basis. Inadequate participant access occurs when the distance between authorized WIC vendors is ten (10) miles or more.

**Note:** Should an applicant location be identified as an area where there is inadequate participant access, it does not absolve an applicant from the responsibility to comply with the terms of the application process as outlined, as a condition of authorization.

The established selection criterion for authorized WIC vendors is as follows:

1. **Complete, Accurate and Truthful Information and Documents.** All applicants and vendors must provide complete, accurate and truthful information and supporting documents during the application process or whenever requested. If it is later discovered that an applicant or vendor has misrepresented or omitted material information or documents, the application will be denied or the vendor agreement will be terminated. Failure to submit any documents or information requested by Georgia WIC within the required time frame will also result in a denial of the application or termination of the vendor’s agreement.
2. **Previous Sanction or Violation History with SNAP or WIC Program.** Applicants who have pending or current Terminations or Disqualifications (or were assessed Civil Money Penalties in lieu of Disqualification) that have not expired will not be authorized. Applicants who were assessed a Civil Money Penalty in lieu of Disqualification will not be authorized during the time period corresponding to the original Disqualification. Similarly, vendors who submit new applications after violations have been identified (during the course of an audit, investigation, etc.) or who may be awaiting the outcome of an appeal will not be authorized. If it is later



determined that an applicant had unexpired sanctions at the time of authorization, the vendor agreement will be terminated immediately.

3. Previous Applicant History. An applicant's prior application history with the program will be reviewed. Applicants whose information or documents are inconsistent with a previously submitted application or applicants who have engaged in serious fraudulent conduct or misrepresentation in connection with a previous application will be thoroughly investigated and will be denied if it is determined that the previous circumstances still exist. An applicant whose denial period has not expired may not be considered for authorization until after the denial period has expired and a new application has been submitted.
4. Competitive Prices. All applicants and vendors are required to submit and maintain prices that are at, or lower than, other vendors currently participating in the program.

**Applicant** – The prices, for the products listed on the application, will be reviewed and compared against the maximum prices allowed in the proposed Peer Group for vendors currently participating in the program. If a prospective vendor's prices **are more than ten (10) percent higher** than the maximum prices of actual vendors in the applicant's proposed Peer Group **on more than three (3) items** – the applicant will be notified that its pricing is not competitive and the applicant may receive technical assistance. Applicants will be given one (1) additional opportunity to re-submit prices after the initial notification. Upon the second submission, those applicants failing to submit prices that are lower than the allowable maximums will be denied authorization.

If this is a cost plus 10% store, the final price must be submitted on the price list as well as posted on the shelf or on signage in the aisle. This is the pricing that is used to determine competitiveness.

**Authorized vendor** – Vendors are required to submit and maintain prices that are at, or lower than other vendors currently participating in the program, within their designated peer group. Vendors must submit shelf pricing each quarter, at a minimum. If a vendor's prices **are more than ten (10) percent higher** than the maximum prices of others in its Peer Group **on more than three (3) items** – the vendor will receive a written notification that its pricing is not competitive. WIC vendors are required to maintain competitiveness during the entire agreement period. Vendors may be assessed at any time and those whose prices remain non-competitive for three (3) additional assessments, the vendor agreement will be terminated for a period of twelve (12) months.

A cost plus 10% store must post the final price on the shelf or on signage in the aisle. Pricing must be submitted for all WIC eligible items sold or anticipated being sold at the store location.

5. Acquisition of permit as a vendor in the Supplemental Nutrition Assistance Program (SNAP) and Compliance with the Supplemental Nutrition Assistance Program (SNAP) Regulations. All vendors and applicants must acquire and maintain authorization as a SNAP retail provider. All applicants and vendors must adhere to the SNAP program rules and must remain in good standing. Information submitted by the SNAP program will become a part of an applicant or vendor file and communication from the SNAP program that indicates a vendor's non-

compliance with its rules and regulations will form the basis for a denial or removal from Georgia WIC Program. Applicants and vendors with a history of non-compliance with SNAP's rules and regulations will be denied or removed from the Program. Also, Georgia WIC will not authorize or reauthorize any applicant once the program has been notified that a retailer has been assessed a Civil Money Penalty (CMP), disqualified or terminated by SNAP. Failure to maintain a SNAP permit for any reason whatsoever, including terminations due to voluntary withdrawal or for non-redemption will result in a denial or termination from Georgia WIC unless necessary to ensure participant access. Retailers who have been assessed a Civil Money Penalty from SNAP will also be denied or terminated from Georgia WIC. Pharmacies and military commissaries are exempt from this requirement.

6. Length of Time as a SNAP Retailer and Previous Grocery Industry Experience. All applicants, except pharmacies and military commissaries, must demonstrate a minimum of twelve (12) months experience as a retail grocer. All applicants must also have a minimum of twelve (12) consecutive months of retail sales history as a vendor under the SNAP Program. Experience can be shown by documentation such as a SNAP vendor permit, Federal/State tax records, or other documentation as the program may request. For those applicants who do not have the required history under the SNAP program, Georgia WIC may consider a waiver upon a written request showing the required SNAP history at another location under common ownership.
7. Business Integrity. All new applicants and vendors must demonstrate business integrity. Georgia WIC will consider business integrity and history of the following: owners, corporate officers, partners and affiliates, or the immediate family of owners, corporate officers, or partners. Georgia WIC will also consider the business integrity and history of anyone involved in the operation of the business or the corporate entity, including managers, stockholders or registered agents. Any of the foregoing people that have a history of fraud, embezzlement, trafficking or has engaged in any activity that Georgia WIC deems to be indicative of a lack of business integrity will not be authorized. This includes but is not limited to the following:
  - a. Criminal conviction or civil judgments during the past six years against the applicant, the applicant's owners, officers or managers for any activity indicating a lack of business integrity such as fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, or obstruction of justice.
  - b. Official records of removal from other federal, state or local programs will also be considered.
8. Business Integrity/Background Checks. All new applicants will be subject to background checks to determine the applicant's business integrity as part of the screening process. Georgia WIC may rely on an investigation using outside sources or upon information already known in a vendor or applicant's file. For each of the following people, entities or locations - owners, corporate officers, partners and affiliates, or the immediate family of owners, corporate officers, or partners and anyone involved in the operation of the businesses or the corporate entity, including managers, stockholders or registered agents, the below information must be disclosed:
  - i. Criminal records (current charges and/or past convictions or forfeited collateral for any crime).
  - ii. Official records of removal from other Federal, State, or local programs including whether above mentioned people or corporation ever had a license denied,

- withdrawn, or suspended or been fined for license violations, such as, business, pharmacy or health licenses. This includes instances where there has been a relinquishment of a license or voluntary withdrawal from a program.
- iii. Judicial determinations in civil litigation reflecting adversely on the integrity of the above mentioned people, corporation, or affiliate(s).
  - iv. Evidence of attempt to circumvent disqualification from WIC or SNAP a civil monetary penalty imposed for violations of WIC or SNAP.
  - v. Evidence of prior fraudulent behavior of the above mentioned people, corporation, or their managers.
  - vi. Other evidence reflecting the business integrity history of the above mentioned people, corporation, or affiliate(s).
  - vii. Previous involvement with any business who has submitted an application (regardless of subsequent authorization) to the WIC or SNAP program and the outcome of such application.
  - viii. Previous violation history or Above-Fifty Percent assignment of the retailer.
9. Minimum Inventory of WIC-Approved Foods. Each vendor is required to stock and maintain daily the minimum inventory of approved WIC foods as well as a substantial amount of non-WIC foods. The inventory must be in the store or the store's stockroom. **All** WIC minimum inventories must be within the expiration dates during the application process, including the pre-authorization visit. Expired foods do not count towards minimum inventory and is a sufficient ground for denying the application. **Note:** All observed concerns with sanitation and food safety will be immediately reported to the Georgia Department of Agriculture and may result in an application denial.

The minimum inventory requirements can be found at <http://dph.georgia.gov/vendor-information>. **Pharmacies and military commissaries are exempt from minimum inventory requirements.** The vendor must carry other foods outside of the WIC minimum inventory and WIC approved foods. It is expected that all applicants will meet and maintain minimum inventory requirements after the date stated on their application and at all times after the pre-approval visit is conducted. Applicants who have not met their minimum inventory requirements after their pre-approval visit has been conducted may make a written request for a second visit. Applicants must provide detailed reasons and corroborating evidence to support their reasons at the time the request is made. Requests will be granted for those who can show that: (1) sufficient merchandise was ordered but the supplier (due to no fault on the part of the retailer), was unable to deliver the merchandise; or (2) sufficient merchandise was in stock within forty-eight (48) hours of the visit but through unexpected customer purchases were depleted before the pre-approval visit; or (3) merchandise became damaged or destroyed after delivery; or (4) for other reasons beyond the control of the retailer.

10. Authorization Training. A vendor applicant must attend training and pass the post-training evaluation with a score of 80 or above. Georgia WIC will provide an initial training session in an interactive format prior to authorization, and at least once every two or three years thereafter during the corresponding vendor re-authorization period. Georgia WIC will provide vendors with at least one alternate date on which to attend interactive training. Attendance at training will be documented, a checklist of items discussed must be signed by the vendor and a Post Vendor Training Evaluation test will be given. A passing score of eighty (80) points or higher is required to become authorized. Vendor applicants cannot attend the initial authorization training session

until an application for authorization has been submitted and the vendor has registered to attend.

Upon request, the Georgia WIC Program will provide language assistance or accommodation to ensure meaningful access to training for vendor applicants and vendors with a language barrier or a disability.

11. Pre-approval visits. Only those vendor applicants that pass initial screening will receive on-site pre-approval visits from Georgia WIC representatives to verify the information listed on the application and inventory. For non-corporate vendors, pre-approval visits will not be conducted until the vendor has attended training and passed the evaluation with a score of 80 or above. For corporate vendors, only one authorized representative from the store is required to attend training. At least one (1) pre-approval visit is required for each applicant to verify the items listed on the application. The first pre-approval visit will be conducted at the date and time announced by the Georgia WIC staff. Georgia WIC reserves the right to follow up on any items in the application or observed on site at any time during the application process and may conduct additional visits to the applicant's store as required without notice. Failure to cooperate with Georgia WIC during the pre-approval process will result in application denial.
12. Re-Scheduling Announced Pre-approval visits. In the event that an applicant suspects that they may not be prepared for their announced pre-approval visit, they may re-schedule the visit twice during the application process. The applicant must contact the Georgia WIC office **IMMEDIATELY** to prevent denial of the application by calling 1-866-814-5468 or (404) 657-2900. The vendor will only be allowed to change this date twice—but must be completed within a thirty day period or the application will expire and be denied.
13. Non-Profit Vendor. Non-profit vendors are not authorized in Georgia.
14. Required Minimum Store Hours. To ensure adequate access to food items for participants, the store (with the exception of military commissaries and pharmacies) must be open for business at least eight (8) hours per day, six (6) days per week, and must be open during the hours specified on the Vendor Application. In the event an applicant or vendor's hours are changed, they must notify Georgia WIC within twenty (20) days of the change. Military commissaries and pharmacies must be open for business at least five hours per day, five days per week. There should be no barriers to participant entry to the store during opening hours (e.g. required store membership or controlled access or entry to the store).
15. Suitable Store Location. For new stores applying to Georgia WIC for the first time, the minimum square footage requirement for vendors is 3,000 square feet of continuous retail food sales space open to the public, excluding all administrative and storage space.

**Note:** Not all areas of an applicant or vendor's store are counted towards the minimum square footage requirement. The square footage areas that are not "continuous retail food sales space open to the public" and are used for other purposes that are irrelevant to the purpose of the Georgia WIC Program **will not be** considered as a part of the minimum square footage requirement.

See Federal Regulations 7 C.F.R. § 246.12, which states: “Retail food delivery systems are systems in which participants, parents or caretakers of infant and child participants, and proxies obtain authorized supplemental foods by submitting a food instrument or cash-value voucher to an authorized vendor.” The program utilizes grocers as part of its retail food delivery service.

No portion of the store may be located inside of a separate building, nor may any portion be located inside of a facility that is not food retail in nature (e.g. suite on the upper floors of an office building, inside of a community center, daycare, floral shop, etc.). The applicant must provide proof of a lease for at least a three-year period, or proof of ownership of the store location. There must be a store sign to identify the store with the name of the business clearly marked.

16. Licensed by the Georgia Department of Agriculture. Each store must have a valid Retail Food Sales Establishment License in the current owner’s name and be in compliance with all state, municipal, and local sanitation standards. A current Health certificate must be posted in the store. Pharmacies and military commissaries are exempt from this requirement. Stores that are on the border of Georgia and another state must have a comparable food sales establishment license from that other state’s Department of Agriculture. **Note:** All observed concerns with sanitation and food safety will be immediately reported to the Georgia Department of Agriculture.
17. Compliance with Georgia WIC Program Policies and Procedures. For existing vendors, any violations found during the re-authorization process may result in denial of the application for re-authorization. Vendors and applicants will be required to comply with all federal and state WIC policies.
18. Store Acquisition. Georgia WIC will not approve or continue the authorization of a store location that was sold or assigned to circumvent an unexpired sanction, claim or civil money penalty. Nor will Georgia WIC approve or continue the authorization of a store location that was later transferred to anyone involved in the ownership, operation, management or corporate structure (including registered agent) of location with unexpired sanctions, claims or civil money penalties.
  - a. The transfer or sale of a retail location with unexpired sanctions, claims or civil money penalties will be closely investigated before the location is authorized. In the event a vendor purchases or acquires a retail outlet that was in the process of being disqualified or which was disqualified from the WIC Program at the time of acquisition, the vendor’s application for that outlet location shall not be considered until Georgia WIC makes a determination that the sale was a bona fide, arms-length transaction and that no one involved in the ownership, management, operation or corporate structure (including registered agents) will remain involved in the newly purchased store. If it is later determined that the applicant failed to abide by this provision, the vendor will be immediately terminated and subject to a claim.
  - b. Ownership transfers of an authorized location to anyone related to the ownership, management or operation<sup>2</sup> of vendor retail outlet having unexpired sanctions, claims or civil

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<sup>2</sup> A person associated with the ownership, management or operation of the applicant/vendor entity, includes owners, officers, partners and, stockholders, registered agents, the immediate family of owners, officers, or partners. Any facts leading the agency to suspect that an applicant or vendor has a business or close personal connection with a WIC vendor that has a history of violations will be thoroughly investigated.

money penalties at the time of the transfer is prohibited. It if is later determined that there was a failure to abide by this provision, the vendor will be immediately terminated and subject to a claim.

19. Above 50% Criterion. All applicants, except pharmacies and military commissaries, will be assessed to determine whether they derive, or have the potential to derive, more than fifty (50) percent of their eligible food sales revenues from WIC food instruments. Vendors that meet the above 50% criterion will not be authorized unless denial of authorization for that applicant would result in inadequate participant access.
20. Infant Formula Suppliers. All vendor applicants are required to purchase infant formula solely from the suppliers selected and approved by Georgia WIC. The Program does not allow vendors to purchase infant formula from other program vendors. Only purchases from the approved list of manufacturers, distributors and wholesalers will be permitted. Records of infant formula purchases must be maintained for a minimum of three (3) previous years plus the current year (or until any pending investigations are closed). In the event of an investigation, only purchase invoices from those permitted suppliers will be considered as legitimate. The list of authorized manufacturers, distributors and wholesalers are posted on the Georgia WIC vendor website. The program may also require vendors to supply the program with written permission to confirm their infant formula purchase history with suppliers.
21. WIC Acronym and Logo. A WIC vendor or applicant may not use the WIC acronym, the WIC logo, or close facsimiles thereof, in total or in part, either in the official name in which the vendor is registered or in the name in which it does business. The WIC vendor or applicant may not use the WIC acronym, the WIC logo, or close facsimiles thereof, in total or in part, in an unauthorized manner on packages, product labels, proprietary materials including pamphlets and brochures, or in any form of marketing, promotional material or advertisement of the store.
22. Purchase Invoice Receipts. Vendor Applicants must submit, upon request, purchase invoice receipts, bills of lading or recent invoices that show the purchase of items intended for sale in their stores. Failure to submit the requested documentation within the time frame stated in the request will result in denial of the vendor application.
23. Automatic Clearing House (ACH) Application. Vendors who are authorized for participation in Georgia WIC will receive an ACH enrollment form. Vendors will have five business days from the date of receipt of the form to enroll. Failure to enroll in ACH within the allotted timeframe will result in termination of the vendor agreement.
24. Provision of Incentive Items. Georgia WIC will not authorize or continue the authorization of a vendor that advertises, promises, provides, or indicates an intention to provide prohibited incentive items to customers. Incentives include, but are not limited to, free or complimentary gifts, home delivery of foods, store memberships, and other free or discounted services.
25. Pharmacies. A vendor who is placed in the Pharmacy Peer Group is only permitted to redeem special infant formulas and medical foods as specified on the Georgia WIC vendor website. All Pharmacy peer group vendors must be licensed and remain in good-standing with the Georgia State Board of Pharmacies to provide prescription drugs and special medical foods in Georgia. Pharmacies are not required to maintain a SNAP permit, nor are they required to undergo an Above Fifty-Percent assessment.

## Invoice Assessment

Applicants and vendors must submit, upon request, invoices, receipts, or bills of lading which show the purchase of **all** items intended for sale in their stores. This includes WIC food items, non-WIC food items, household products, and miscellaneous items. Invoices must reflect the name and address of the wholesaler, supplier or distributors, date of the purchase, list of the items purchased, size, stock number, quantity, unit price and total dollar amount for the quantity purchased. Itemized cash receipts must include the name and address of the store or a code number by which the store can be identified, the date of purchase, description of the items purchased, unit price and total purchase price. Affidavits or oral statements are not acceptable as proof of inventory.

Failure to submit the requested documentation within the time specified will result in denial of the vendor application or termination of the vendor agreement.

## Peer Groups

Authorized vendors are classified into seven different peer groups based on square footage of the store (excluding administrative and storage space), the number of store locations, and assessment findings.

Peer Group	Type	Description
A	Small	3,000 to 10,000 square feet of continuous retail space open to the public, excluding administrative and storage space.
B	Medium	10,001 to 15,000 square feet
C	Chain	20 or more locations in operation
D	Large Independent	15,001 or more square feet and less than 20 locations
E	Military Commissary	Located on Military Bases serving military personnel only
F	Pharmacy	Pharmacy – Redeem exempt and/or special infant formulas only including medical foods. No contract formula, stated infant formula, or other standard WIC foods are allowed for this peer group. Vendors must be licensed by and in good standing with Georgia State Board of Pharmacies.
G	Above 50%	Vendors and applicants found to be an actual above fifty (50) % vendor where denial of authorization for that applicant or vendor would result in inadequate participant access.
<b>Note:</b>	<b>Above 50%</b>	<b>Applicants identified as actual or potential above fifty percent (A-50) vendors at application will not be authorized. Vendors assessed as A-50 during the annual assessment or at re-authorization will be terminated from the program. Pharmacies and military commissaries are exempt from this assessment.</b>



## WIC ACRONYM AND LOGO, ADVERTISEMENTS AND INCENTIVES

### Use of the WIC Acronym and Logo

To identify the retailer as an authorized WIC vendor, vendors are required to prominently display in plain sight a poster or decal provided by Georgia WIC which states that the store accepts WIC. The WIC logo is very helpful in areas where language barriers exist.

A WIC vendor must not use the acronym “WIC”, the WIC logo, or close facsimiles thereof, in total or in part, either in the vendor’s official registered name or in the name under which it does business.

A WIC authorized vendor shall not use the WIC acronym, the WIC logo, or close facsimiles thereof, in total or in part, in an unauthorized manner on packages, product labels, proprietary materials including pamphlets and brochures, or in any form of marketing, promotional material or advertisement of the store.

Any person who uses the acronym “WIC” or the WIC logo in an unauthorized manner, including close facsimiles thereof, in total or in part, may be subject to injunction by the United States Department of Agriculture and the payment of damages.

Georgia WIC will terminate the Vendor Agreement for misuse or unauthorized use of the WIC acronym or the WIC logo. If a vendor applicant misuses the WIC acronym or the WIC logo prior to or at application, the Vendor Application will be denied.

### Advertisements, Shelf Talkers, Channel Strips, and Posters

#### Channel Strips and Shelf Talker, and “We Welcome WIC” posters

The Vendor is permitted to use shelf talkers or channel strips stating “WIC approved” or “WIC eligible” on grocery shelves at the exact spot that contains WIC approved foods. These items have been developed by Georgia WIC and are available upon request. Authorized vendors who wish to develop their own shelf talkers or channel strips must obtain written permission from Georgia WIC by submitting a copy or sample of the final version for approval **prior to use**.

Authorized vendors must submit the final artwork/graphic image of the proposed shelf label, along with a written request for consideration of approval, to the Georgia WIC Office of Vendor Management. The request must include the proposed size, color, and any other distinguishing features. All requests must be submitted at least thirty (30) days prior to the intended use date. A decision will be sent by the Georgia WIC Office of Vendor Management within thirty (30) days of receipt of request.

The proposed shelf label and request can be submitted via email or regular mail to:

Email Address: [WIC-VM@dph.ga.us](mailto:WIC-VM@dph.ga.us)

U.S. Mail: Georgia Department of Public Health  
WIC Office of Vendor Management  
2 Peachtree Street, N.W. Floor 10  
Atlanta, GA 30303.

Store personnel are responsible for monitoring the use of all posted shelf labels, regardless of the source, in order to ensure that each label accurately and consistently identifies all WIC approved foods. Failure to do so is a category II sanction and can result in disqualification from the program for eight (8) months on the third violation. Vendors are required to utilize shelf talkers that reflect the current State Agency administering the Georgia WIC Program, the Georgia Department of Public Health (DPH).

### Payment Posters

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A WIC vendor must accept at least two other forms of payment other than WIC and EBT (Electronic Benefit Transfer.) If a payment poster is displayed, all forms of payment accepted by a vendor must be listed so as not to solicit the WIC customer. Payment posters cannot imply that the vendor only takes WIC or EBT. EBT or WIC cannot be more pronounced on the poster than other forms of payment (e.g. EBT and WIC should not be in a larger or different font, or in boldface.)

### Bread Manufacturers

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Bread manufacturers are allowed to create their own shelf talkers and channel strips. Final artwork must be submitted to the Georgia WIC office for approval or revision prior to implementation.

**It is the responsibility of the vendor to ensure that the labels used by bread manufacturers have been approved by Georgia WIC. Should a non-approved label be used, the vendor will be subject to sanctions (see 'State Agency Sanctions- Category II'). Please contact Georgia WIC prior to allowing a bread manufacturer to label your shelves to ensure that their labels are approved.**

### Incentives

Georgia WIC prohibits any vendor from using incentives to solicit the patronage of WIC participants. Vendors who use advertisements to solicit the business of WIC participants, or who offer incentives or delivery services to participants, will be subject to sanctions as explained in the Vendor Agreement and this handbook. Incentives are defined as any item, service, or gimmick used to solicit the patronage of a WIC participant. Incentives include, but are not limited to, free or complimentary gifts, home delivery of foods, store memberships, and other free or discounted services that are offered to WIC customers to *entice* them to transact food instruments.

## RESPONSIBILITIES AND PROCEDURES FOR SELECTED VENDOR TYPES

### Incorporated Vendors

The Georgia WIC Program defines a Corporate Vendor as an authorized vendor that is owned by a corporate entity. A corporate vendor can be a publicly or privately owned corporation or a limited liability company.

Incorporated applicants must complete and submit a Corporate Information Form along with the vendor authorization application. To access the Corporate Information Form, visit <http://dph.georgia.gov/vendor-information>, and select "Corporate Information Form". If an applicant does not have access to the internet, a request can be made for a hardcopy of this form by calling the Office of Vendor Management, at 404-657-2900 or toll free, within Georgia, at 1-866-814-5468.

If an incorporated applicant is seeking authorization for two or more stores, it must also complete and submit with its application a corporate attachment form for each store. An authorized representative must sign the application and each Corporate Attachment Form. Upon authorization, a corporate vendor will receive one vendor agreement. The Corporate Attachment Forms serves as verification of each store location that is authorized under the vendor agreement and, therefore, are addendums to the vendor agreement. Each authorized store location will be assigned a vendor number and will receive a vendor stamp with that identifying number. Vendors are not permitted to redeem food instruments at any location until each location is authorized. A newly authorized store cannot begin accepting food instruments until it has received a vendor stamp with its assigned vendor number. **PLEASE NOTE:** If a store location under a corporate vendor begins transacting and/or redeeming food instruments before it receives its vendor stamp, that store location will be denied authorization for a period of three (3) years.

If a currently authorized corporate vendor wishes to seek authorization for additional stores during the agreement period, it must submit an updated vendor authorization application, a Corporate Information Form, Corporate Vendor Training Checklist and a Corporate Attachment Form for each store. The authorization of additional stores will not require the execution of a new vendor agreement. The Corporate Attachment Form for each newly authorized store will be an additional addendum to the existing corporate vendor agreement.

### Pharmacy Vendors

With the exception of stores that qualify for participation in Peer Groups C, D and E, any retailer who operates a pharmacy on the premises will be placed in the Pharmacy Peer Group (Peer Group F) and is subject to the restrictions associated with that Peer Group.

A vendor who is placed in the Pharmacy Peer Group is only permitted to redeem special infant formulas and medical foods as specified on the Georgia WIC vendor website. Pharmacy vendors are exempt from maintaining minimum inventory requirements and from A-50 assessments. All Pharmacy peer group vendors must be licensed and remain in good-standing with the Georgia State Board of Pharmacies to provide prescription drugs and special medical foods in Georgia and must provide a copy of the licensing

credentials upon request. Those who fail to maintain their pharmacy license in good standing will be terminated.

Programmatic reports will be used to verify performance compliance, such as whether a pharmacy vendor is redeeming only exempt infant formula food instruments. Pharmacy vendors shall not accept food instruments through the mail, nor mail any approved formula/medical foods directly to the WIC customer. Doing so will result in termination of the vendor agreement.

**Vendors in Peer Groups A, B and G – Prohibited from Redeeming Vouchers for Special Infant Formula and Medical Foods**

Stores in Peer Groups A, B and G **are not permitted to redeem vouchers for Special Infant Formula and Medical Foods**. Stores in Peer Groups C, D, E (Military Commissaries), and F (Pharmacies) are the only vendors permitted to redeem these types of vouchers. Please see the Georgia WIC vendor website for the list of vouchers that vendors in each Peer Group are permitted to redeem.

Vendors in Peer Groups A, B and G will not be reimbursed for Special Infant Formula and Medical Food vouchers and those who submit these types of vouchers for payment will not be paid – the vouchers will be returned through the banking system and those vendors risk incurring charges from their financial institution. Vendors should govern themselves accordingly to avoid bank charges.

## VENDOR TRAINING

Vendor training is conducted to ensure that all vendors are familiar with Georgia WIC program policies and procedures. Training is offered in all of the following formats: newsletters, videos, videoconferences, or interactive training sessions.

Vendors must register to attend training and must attend on the date they have selected. If the vendor is unable to attend training on the date selected, they must alert Georgia WIC with an alternate date. For authorization training, vendors are required to show a government issued picture ID prior to admission.

### Pre-Authorization and Re-Authorization Training

Georgia WIC will provide an initial training session in an interactive format prior to authorization, and at least once every two or three years thereafter during the corresponding vendor re-authorization period. Georgia WIC will provide applicant/vendors with at least one (1) alternate date on which to attend interactive training. Attendance at training will be documented, a checklist of items discussed must be signed by the applicant/vendor and a Post Vendor Training Evaluation test will be administered. A passing score of eighty (80) points or higher is **required** to become authorized. There are **no exceptions** to the requirement to obtain a passing score of a minimum of 80 points. Each applying store should give the appropriate consideration and preparation when determining the representative sent to complete the authorization training. Vendor applicants cannot attend the initial authorization training session until an application for authorization has been submitted and the vendor has registered to attend. Upon request, the Georgia WIC Program will provide language assistance or accommodation to ensure meaningful access to training for vendor applicants and vendors with a language barrier or a disability.

A representative of a corporate vendor with multiple store locations must initially complete the authorized training session and receive a passing score of eighty (80) points or higher. After completing and passing the training session, the corporate vendor is allowed to conduct authorization training for: 1) existing authorized stores at the time of re-application and 2) new unauthorized stores that will be added to an existing Vendor Agreement. The corporate vendor must conduct authorization training for existing and new locations. The representative must ensure that all training topics are provided to a management representative in each authorized store.

Attendance at a training session, prior to becoming an authorized vendor, does not grant the right to begin accepting WIC food instruments. Only a fully executed vendor agreement that is signed by both parties and the receipt of a vendor stamp constitutes authorization.

### Annual Training

Georgia WIC will conduct annual training for vendors regarding changes and updates to policies and procedures. Annual training may be conducted in a variety of formats including newsletters, videos and interactive training. Authorized vendors must provide documentation of participation in annual training by the deadline specified. In addition, corporate vendors must ensure that each store listed in the current Vendor Agreement receives annual training by the deadline specified. Failure to do so will

result in termination of the Vendor Agreement. Failure to provide documentation that each store participated in annual training will result in termination of the store(s).

## **Customized Training**

Georgia WIC representatives may conduct training for employees of WIC vendors at their request. Training requests should be made in writing to Georgia WIC, Office of Vendor Management, 2 Peachtree Street, 10<sup>th</sup> Floor, Atlanta, Georgia, 30303. Please specify the desired training topics and the type and number of employees who will attend. Georgia WIC and the WIC vendor will mutually agree upon location and dates for the training.

## WIC APPROVED FOODS

The WIC Approved Foods posted on the Georgia Department of Public Health website at <http://dph.georgia.gov/vendor-information> are foods that are available to the WIC customer. **ONLY these foods may be purchased by the participant or proxy using the WIC food instrument.**

Because the brand names and types of infant formula as well as special medical foods are too numerous to list, approved foods will be printed directly on the front of the WIC food instrument. **The WIC customer is allowed to purchase the brand, type and size of infant formula or medical food that is printed on the front of the food instrument. Do not allow the WIC customer to purchase infant formula or medical food that is NOT listed on the food instrument.**

The vendor will receive an updated list of approved foods as changes are made, and can always check the Georgia Department of Public Health website for current information. Vendors will periodically receive pamphlets and posters of WIC approved food items that can be used as displays or as a training resource.

### List of Infant Formula Wholesalers, Distributors, and Manufacturers

All vendor applicants and authorized vendors are required to purchase infant formula, to be exchanged for WIC food instruments, directly from a WIC approved supplier or manufacturer included on a list provided by the Georgia WIC Program. The Georgia WIC Program does not permit vendors to purchase infant formula from other authorized program vendors or retailers. Only purchases from the approved list will be permitted.

Records of the infant formula purchases must be maintained for a minimum of three (3) previous years plus the current year (or until any pending investigations are closed). In the event of an investigation, only purchase invoices from those approved suppliers will be considered as legitimate. The program may also require vendors to supply the program with written permission to confirm their infant formula purchase history with suppliers.

The approved list includes manufacturers registered with the Food and Drug Administration (FDA) as well as licensed wholesalers, distributors and suppliers. Only Georgia WIC approved Infant Formula is eligible for purchase and distribution. A current list is posted on the Georgia WIC Vendor Management (OVM) Website and available to applicants and authorized vendors. Manufacturers and wholesalers/distributors/suppliers are listed separately. The Infant Formula supplier list will be updated as suppliers are added or at a minimum, annually. Annual updates shall observe the Federal Fiscal year of October 1<sup>st</sup> through September 30<sup>th</sup>. Vendors may not appeal the State's decision to include or exclude an infant formula wholesaler, distributor or manufacturer from the approved list.

The Approved Infant Formula Suppliers list can be located on the Georgia WIC Vendor Management Website at: <https://dph.georgia.gov/vendor-information>.

### Obtaining Approval to be Placed on the Georgia WIC Approved Infant Formula Supplier List

Wholesalers, distributors, and suppliers may apply to be placed on the approved list by contacting the WIC Office of Vendor Management at 404-657-2900 or toll free at 1-866-814-5468.

The newly posted Georgia WIC Approved Infant Formula Supplier List will have an effective date that reflects the date that the last supplier(s) was added to the approved list.

### **Non-WIC Inventory Requirement**

All vendors except pharmacies are required to carry foods other than WIC approved foods. These food items must consist of qualifying food items approved by SNAP in addition to the WIC minimum inventory and WIC-approved foods, and foods that are intended for home preparation and consumption, such as meat, fish, and poultry bread and cereal products dairy products, fruits, and vegetables. Items such as condiments and spices, coffee, tea, cocoa, carbonated and noncarbonated beverages are included in food sales only when offered for sale along with foods in the four (4) primary categories. Non-food items, alcoholic beverages, hot foods, or food that will be eaten on the store premises are not considered a part of USDA's definition of eligible foods.

At least two hundred (200) items in each of the following categories must be in stock at all times.



### Non-WIC Inventory Requirement

Food Item	Minimum in each category
<b>Meats, Poultry and/or Seafood</b> (refrigerated or frozen)	200
<b>Breads and Cereal Products</b>	200
<b>Dairy</b> (e.g. milk, cheese, yogurt, etc.)	200
<b>Shelf Staples</b> (e.g. flour, sugar, pasta, pudding mix, etc.)	200
<b>Cans, Jars, Bottled Goods</b> (e.g. mayo, ketchup, relish, etc.)	200
<b>Beverages</b> (e.g. soda, water, powdered drinks, etc.)	200
<b>Snack Foods</b> (e.g. crackers, granola bars, etc.)	200

### Minimum WIC Food Inventory Requirements

Vendors are **REQUIRED** to maintain in stock a minimum variety and quantity of the WIC foods as described in the chart below. An on-site inventory audit of the below mentioned food items (WIC-approved and non-WIC) is a component to the pre-approval and routine monitoring visits.

### Georgia WIC Program Minimum Inventory Requirements Effective April, 2015

Food Item	Types/Brands	Size	Minimum Inventory	<input checked="" type="checkbox"/>
MILK Least Expensive Brand of type selected/allowed	Whole Milk	Gallon	8 Gallons	<input type="checkbox"/>
	Fat Free/Skim, Low-Fat (1%), Reduced Fat (2%) Milk	Gallon	12 Gallons (Can be Combined)	<input type="checkbox"/>
	Dry Powdered Milk OR Evaporated Milk	Makes 3 Quarts	3 Boxes	<input type="checkbox"/>
		12 oz	12 Cans	<input type="checkbox"/>
CHEESE Least Expensive Brand of type selected/allowed	One Pound Package	16 oz (1 Pound)	8 - 1 lb Packages 2 Types	<input type="checkbox"/>
EGGS Least Expensive Brand	Grade A Large	1 Dozen Carton	8 - 1 Dozen	<input type="checkbox"/>
PEANUT BUTTER	Any Brand Creamy, Crunchy, or Extra Crunchy (Regular or Low-salt)	16-18 oz	6 Containers 2 Brands	<input type="checkbox"/>
BEANS / PEAS / LENTILS	Dried Beans/Peas/ Lentils	1 Pound Packages	5 Packages - 2 Types	<input type="checkbox"/>
	Canned Beans/ Peas/ Lentils	15 - 16 oz Cans	18 Cans - 2 Types	<input type="checkbox"/>
JUICE	Ready to Serve Container	48 oz	12 Containers – 2 Flavors Any Combination	<input type="checkbox"/>
	Non-Frozen Concentrate	11.5 oz		
	Frozen Concentrate	11.5 -12 oz		
WHOLE GRAIN BREAD	Ready to Serve Container	64 oz	12 Containers - 2 Flavors	<input type="checkbox"/>
	Whole Grain Bread	16 oz Loaf	6 Loaves	<input type="checkbox"/>
CEREAL	WIC Approved Cereal		24 Boxes - 4 Types,	

**Georgia WIC Program  
Minimum Inventory Requirements  
Effective April, 2015**

<b>Food Item</b>	<b>Types/Brands</b>	<b>Size</b>	<b>Minimum Inventory</b>	<input checked="" type="checkbox"/>
Whole Grain	Brands and Types <i>(see WIC Approved Foods List)</i>	11- 36 oz	2 Types must be Whole Grain	<input type="checkbox"/>
<b>FISH Least Expensive of type selected</b>	Tuna Pink Salmon	5 oz, 6 oz, 7.5 oz or 14.75 oz	18 Cans Combined	<input type="checkbox"/>
INFANT FORMULA	Milk Based – Gerber Good Start Gentle Soy Based – Gerber Good Start Soy	12.1 oz Concentrate*	Milk Based - 19 Soy Based - 0	<input type="checkbox"/>
	Milk Based – Gerber Good Start Gentle Soy Based – Gerber Good Start Soy	12.7 oz Powder 12.9 oz Powder	Milk Based - 50 Soy Based - 20	<input type="checkbox"/>
INFANT CEREAL	Dry Cereal	8 oz Box	12 Boxes - 2 Types, 1 must be Rice	<input type="checkbox"/>
INFANT FRUIT & VEGETABLES	Fruit and / or Vegetable	4 oz Jars or 8 oz Twin Packs	96 Jars Combined or 49 – 8 oz Twin Packs	<input type="checkbox"/>
INFANT MEATS	Meats in Gravy or Broth	2.5 oz Jars	31 Meats	<input type="checkbox"/>
FRUITS & VEGETABLES	Fruits	Fresh, Frozen, Canned	<b>Fresh:</b> 20 Types (Combined Fruits and Vegetables)	<input type="checkbox"/>
	Vegetables	Fresh, Frozen, Canned		

**\* NOTE: MINIMUM INVENTORY FOR CONCENTRATE CONTRACT FORMULAS HAVE BEEN REDUCED. VENDORS MUST BE ABLE TO ORDER MILK AND SOY CONTRACT FORMULAS IN A CONCENTRATE FORM WHEN REQUESTED BY THE PARTICIPANT.**

## THE WIC FOOD INSTRUMENT

The WIC food instrument is similar to a check. A vendor must accept all valid food instruments, with the exception of a pharmacy vendor, who may only redeem food instruments for exempt and special infant formula, including medical foods. The vendor shall not accept counterfeit or altered food instruments.

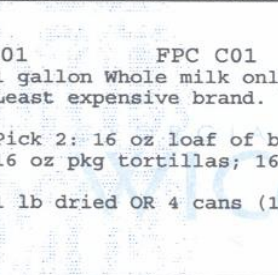

When food instruments are properly redeemed, the vendor will receive credit for the amount of the purchase by depositing the food instrument into the specific account number provided to Georgia WIC by the vendor for deposit of all WIC food instruments at the vendor's bank.

Food instruments are not transferable and cannot be sold. They must only be redeemed and deposited to the account of the vendor that corresponds with the WIC vendor stamp and location listed on the Vendor Agreement or Corporate Attachment Form. Vendors who commit fraud or abuse in the program are subject to criminal prosecution. Those who have willfully misapplied, stolen or fraudulently obtained program funds will be subject to a fine of not more than \$25,000.00 or imprisonment for not more than five years, or both, if the value of the funds is \$100.00 or more. If the value is less than \$100.00, the penalties are fines of not more than \$1,000.00 or imprisonment for not more than one (1) year, or both.

### Food Instrument Types and Descriptions

There are (5) five types of WIC food instruments: laser-printed, blank manual, standard manual, computer generated and cash value vouchers. Descriptions and pictures of the food instruments are below.

Laser Printed Food Instruments. The laser-printed food instrument is printed at the clinic site at the time of the participant, parent's, caretaker's and/or proxy's visit.

DO NOT CASH UNLESS THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND AND A FOIL LOGO.							
DIST/UNIT/CLINIC	WIC ID NO.	C	P	PARTICIPANT	VOUCHER NO.	ISSUED BY	
United Community Bank 0611196842072112382				<b>GEORGIA WIC PROGRAM</b> PAY TO THE ORDER OF ANY AUTHORIZED GEORGIA WIC VENDOR FOR THESE ITEMS/QUANTITIES ONLY - WIC APPROVED FOODS ONLY - NO SUBSTITUTIONS		NOT NEGOTIABLE WITHOUT WIC VENDOR STAMP HERE	
CPA FPC C01                      FPC C01                      VC C05 MILK:                      1 gallon Whole milk only. Least expensive brand.						FIRST DAY TO USE	05/10/2014
WHOLE                      Pick 2: 16 oz loaf of bread; 16 oz pkg brown rice; GRAIN:                      16 oz pkg tortillas; 16 oz pkg buns						LAST DAY TO USE	06/09/2014
BEANS:                      1 lb dried OR 4 cans (15 to 16 oz)						VENDOR MUST DEPOSIT WITHIN 60 DAYS OF FIRST DAY TO USE	
				PAY EXACTLY			
				DOLLARS                      CENTS			
							
BUYING, SELLING, OR OTHERWISE MISUSING WIC BENEFITS IS A CRIME. TO REPORT SUSPECTED ABUSE, CALL 800-424-9121 OR VISIT WWW.USDA.GOV/OIG/HOTLINE.HTM.				PARTICIPANT/GUARDIAN/PROXY SIGNATURE		rev. 1-2014	

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Blank Manual/Handwritten Food Instruments. All information on the food instrument is either handwritten or typed. Redeem only for the amount of food indicated. Only one (1) number should appear in each box. X's are placed in all boxes where there are no numbers. This helps to eliminate any possible unauthorized alterations on the food instrument. There are two (2) types of Blank Manual/Handwritten Food Instruments, which are shown below.

DIST / UNIT / CLINIC 09-2 3544		WIC ID NUMBER		PARTICIPANT NAME		RSN	VOUCHER NO. 958010 9	ISSUED BY																																																															
<b>GEORGIA WIC PROGRAM</b> PAY TO THE ORDER OF ANY AUTHORIZED GEORGIA WIC VENDOR <span style="float: right; font-size: 24pt; color: red;">91058</span>						LAST DAY TO USE VENDOR MUST DEPOSIT BY		EXACTLY DOLLARS    CENTS \$    \$																																																															
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DIST / UNIT / CLINIC 09-2 3544		WIC ID NUMBER		PARTICIPANT NAME		RSN	VOUCHER NO. 96079010 3	ISSUED BY																																								
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Blank Standard Manual Food Instruments. Blank standard manual food instruments have the WIC approved foods preprinted on the food instruments. The top portion of the food instrument is completed (handwritten) by the clinic staff. These food instruments have two (2) signature boxes.


DIST / UNIT / CLINIC	WIC ID NUMBER	PARTICIPANT NAME	RSN	VOUCHER NO.	ISSUED BY
02-0 059				81081922 7	
<b>GEORGIA WIC PROGRAM</b> <span style="float: right;"><b>81081922</b></span>			FIRST DAY TO USE		
PAY TO THE ORDER OF ANY AUTHORIZED GEORGIA WIC VENDOR FOR THESE ITEMS / QUANTITIES ONLY - NO SUBSTITUTIONS			LAST DAY TO USE		
4 FOOD PACKAGE #21 VOUCHER #06 DRY MILK: 1-3 quart container non-fat dry powder OR 4-12 oz cans low-fat (fat-free, skinned, 2%) evaporated milk  BEANS OR 1 lb dried OR 4 cans (14 to 16 oz) beans PEANUT BUTTER: OR 1 container (16 to 18 oz) peanut butter			GACE 0/11 VENDOR MUST DEPOSIT BY		
SIGN HERE AT WIC OFFICE			PAY EXACTLY		NOT NEGOTIABLE WITHOUT WIC VENDOR STAMP HERE
IMPROPER USE OF THIS VOUCHER IS SUBJECT TO STATE AND FEDERAL PROSECUTION			DOLLARS    CENTS		
SIGN HERE AT GROCERY STORE			UNITED COMMUNITY BANK 64-1968-611		
@B 10819225 @ :06 1119684: 207211238 2 @					

Emergency Computer Generated Food Instruments. These food instruments are used in case of emergencies. All information on the food instrument is computer printed.

DISTRICT / UNIT / CLINIC	WIC ID NO.	C	P	PARTICIPANT	FIRST DAY TO USE
01 1 008	008 679 543	2	6	Wicperson, Jane	07-01-02
<b>GEORGIA WIC PROGRAM</b>				VOUCHER NO.	LAST DAY TO USE
ICES				<b>24612297</b>	07-31-02
PAY TO THE ORDER OF ANY AUTHORIZED GEORGIA WIC VENDOR FOR THESE ITEMS / QUANTITIES ONLY - NO SUBSTITUTIONS				PURCHASE PRICE IF EXCEED	VENDOR MUST DEPOSIT BY
FOOD PACKAGE CODE 404    VOUCHER CODE 028 MILK: 1 GAL OR 4-12 OZ CNS EVAP OR 1-5 QT BOX EGGS: 1 DOZEN JUICE: 2-12 OZ CANS FROZEN OR 2-46 OZ CANS OR 2-11.5 OZ CANS POURABLE				17.	08-30-02
YOUR BABY NEEDS SHOTS AT 2 MONTHS, 4 MONTHS, 6 MONTHS, 15 MONTHS, & 5 YEARS				PAY EXACTLY	NOT NEGOTIABLE WITHOUT WIC VENDOR STAMP HERE
IMPROPER USE OF THIS VOUCHER IS SUBJECT TO STATE AND FEDERAL PROSECUTION				DOLLARS    CENTS	
SIGN HERE AT GROCERY STORE				VOID VOID VOID VOID	
@ 246122973 @ :06 1119684: 250314 2 @					

Cash Value/Fruit and Vegetable Vouchers (CVV). A CVV is issued for fruits and vegetables.

- CVVs are used to purchase approved fresh, frozen, and canned fruits and vegetables.
- CVVs have a maximum amount listed.
- The WIC participant will be allowed to pay the difference when the cost of their produce exceeds the price stated on the CVV. The amount over the CVV maximum is be subject to tax, when applicable. The WIC participant is responsible for paying the difference plus the applicable sales tax.
- The vendor may need to adjust its current procedures to allow for WIC clients to use payment methods such as Food Stamps EBT cards, cash, credit cards, or debit cards to complete the CVV transaction.

DO NOT CASH UNLESS THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND AND A FOIL LOGO.							
DIST/UNIT/CLINIC	WIC ID NO.	C	P	PARTICIPANT		VOUCHER NO.	ISSUED BY
05 1 087	008 456 104	3	6	SAMPLE, SAMPLE		56376849	CSC
United Community Bank 0611196842072112382 <b>GEORGIA WIC PROGRAM</b> <b>PAY TO THE ORDER OF ANY AUTHORIZED GEORGIA WIC VENDOR</b> FOR THESE ITEMS/QUANTITIES ONLY - WIC APPROVED FOODS ONLY - NO SUBSTITUTIONS				NOT NEGOTIABLE WITHOUT WIC VENDOR STAMP HERE		FIRST DAY TO USE	04/14/2015
						LAST DAY TO USE	05/14/2015
CPA FPC C21                      FPC C21                      VC P01 PRODUCE: \$8 for fresh, frozen, or canned fruit and vegetables.  No products with added sugar, seasonings, fat, or oils. No creamed or candied vegetables.						VENDOR MUST DEPOSIT WITHIN 60 DAYS OF FIRST DAY TO USE	
						PAY EXACTLY	
						DOLLARS	CENTS
							
BUYING, SELLING, OR OTHERWISE MISUSING WIC BENEFITS IS A CRIME. TO REPORT SUSPECTED ABUSE, CALL 800-424-9121 OR VISIT WWW.USDA.GOV/OIG/HOTLINE.HTM.				PARTICIPANT/GUARDIAN/PROXY SIGNATURE		rev. 1-2014	

⑈ 563768496 ⑆ 061119684 ⑆ 2072112382 ⑆

## Processing WIC Food Instruments Including Cash Value Vouchers

The vendor's bank should be informed that WIC food instruments are negotiable instruments that must be processed through the Federal Reserve Bank. Georgia WIC will provide each vendor a stamp that is embossed with a unique WIC identification number. All food instruments accepted by the vendor must be stamped with this number in preparation for a bank deposit. Only food instruments stamped with an authorized vendor stamp that is issued by Georgia WIC will be paid. The stamp should be fully depressed onto the WIC food instrument so that it is clearly recognizable on the food instrument. Lost, stolen or damaged stamps must be reported to Georgia WIC immediately. **DO NOT REPRODUCE THE VENDOR STAMP.** Food Instruments stamped with an unauthorized vendor stamp will not be paid (see section entitled 'Important Notes about the Vendor Stamp') for further instructions on the vendor stamp). Payment on any food instrument rejected by the WIC banking system is at the sole discretion of Georgia WIC.

### Minimum Requirements for Payment

- Food instruments must be issued by Georgia WIC or its authorized local agencies, printed on official Georgia WIC paper, and unaltered.
- Food instruments are accepted on the "First Day to Use" date through the "Last Day to Use" date.
- An authorized WIC vendor stamp appears on the food instrument, is legible, and the food instrument is deposited to the single account provided to Georgia WIC by the vendor.
- Deposited within sixty days of the "First Day to Use" date.
- The amount of purchase is entered in the "PAY EXACTLY SPACE" in ink.
- When stamping, use black ink ONLY with your WIC vendor stamp. DO NOT use any other color of ink.
- A signature is obtained from the participant, in ink, at the time of purchase.
- For cash value vouchers, the vendor must not issue change to a WIC customer for purchases that are less than the total value of the cash value voucher.
- For cash value vouchers, the WIC customer may use his/ her own funds for purchase amounts in excess of the monetary limit for his/her cash value voucher.

### WIC Customer Transactions at the Store

WIC food instruments may be presented at authorized vendor locations by WIC participants, parents, caretakers or proxies (WIC customer). WIC customers are required to take their WIC ID folder to each visit to the store. Vendors must request the WIC customer to present the WIC ID folder at the time of the transaction. WIC vendors shall **not** request any other form of identification from WIC customers in order to transact a WIC food instrument.

**WIC foods must be separated from other food purchases prior to the WIC transaction. When approved supplemental food is being purchased with a WIC food instrument, the cashier must complete each food instrument separately and do the following:**

Steps to Follow When Accepting WIC Food Instruments

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1. Check the participant's WIC ID card/folder. The WIC customer's name must be listed on the ID card/folder. If the WIC customer does not present a WIC ID card, then the food instruments cannot be redeemed.
2. For manual food instruments that contain two signature boxes, make sure that the "*Sign here at WIC office*" signature box contains a signature.
3. Check the dates on the food instrument. Food Instruments cannot be used before the "First Day to Use" or after the "Last Day to Use" dates.
4. Ring up the current shelf price of the food for each food instrument. Make sure that the exact types and amounts of approved WIC foods are being purchased.
5. Print in black ink the amount of the WIC purchase in the "Pay Exactly" space on the food instrument in the presence of the WIC customer. Complete this step for one food instrument prior to moving on to the next food instrument.
6. Obtain a signature from the WIC customer, which must match the signature on the WIC ID card.
7. WIC customers must not be given credit or cash in exchange for WIC food instruments.
8. If the cashier makes a mistake entering the price on the food instrument, the incorrect price should be marked through and the correct price written above the error. The cashier must initial the correction as verification.
9. If the cash registers do not automatically imprint "WIC" on the receipt, cashiers must write "WIC" vertically on all receipts for food purchased with WIC food instruments.
10. The cashier must provide the WIC customer with a receipt and keep a copy of the receipt for the vendor's records.

#### Steps to Follow When Accepting Cash Value Vouchers (CVV)

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1. Check the participant's WIC ID card/folder. The WIC customer's name must be listed on the ID card/ folder. If the WIC customer does not present a WIC ID card, then the food instruments cannot be redeemed.
2. For manual vouchers that contain two signature boxes, make sure that the "*Sign here at WIC office*" signature box contains a signature.
3. Check the date on the face of the food instrument. CVVs cannot be used before the "First Day to Use" date or after the "Last day to Use" date.
4. Check the food items. They must be fruits and vegetables that cannot be purchased with the regular WIC food instrument.



5. Weigh the fruits or vegetables and/or ring up the current shelf price of the food for each item chosen. Make sure that the exact types of approved WIC foods (fruits and vegetables) are being purchased.
6. CVVs will be issued in specified, maximum dollar amounts.
7. Ring up price of the purchase.
8. Write the price of the purchase in the "Pay Exactly" space in black ink in the presence of the WIC Customer. Complete this step for one CVV before moving on to the next CVV.
9. Obtain a signature from the WIC customer, which must match the signature on the WIC ID card.
10. If the purchase amount is over the max price listed on the face of the CVV, the participant may pay cash or check, credit or EBT for the amount over the max price on the CVV.
11. Include tax for the amount over the maximum on the face of the CVV, if applicable. This amount is not a part of the WIC transaction. Give change for any amount over the face of the CVV. This is not a part of the WIC transaction. Change is not permitted for purchases that are less than the max price listed on the CVV.
12. WIC customers must not be given credit or cash in exchange for CVVs.
13. If the cashier makes a mistake entering the price on the CVV, the incorrect price should be marked through and the correct price written above the error. The cashier must initial the correction.
14. If the cash register does not automatically print "WIC" on the receipt, cashiers must write "WIC" vertically on all receipts for WIC food purchases.
15. The cashier must provide the WIC customer with a receipt, and keep a copy for the vendor's records.

If the amount of the CVV is less than the maximum amount on the face of the food instrument, do not give change and do not charge sales tax. If the price of the purchase is over the amount on the face of the CVV, charge the maximum amount of the purchase to the CVV. Your store will be responsible for collecting any difference over the maximum amount of the CVV. Tax can be charged for the amount over the maximum on the face of the food instrument. The WIC customer can pay the amount over the maximum in cash, credit, debit, EBT, or check. Change can be given for cash payment for any difference over the amount of the maximum for the CVV. That amount is not a part of the WIC transaction.

## Important Notes about the WIC Customer for Cashiers and Store Managers

The WIC customer:

1. Must present a WIC ID card to redeem food instruments.
2. Must sign the food instrument at the time of purchase.
3. May not use a WIC food instrument to purchase items not listed on the food instrument.
4. Must never be required to pay cash for items purchased except for items purchased with the cash value/ fruit and vegetable food instrument, in excess of the amount on the food instrument.
5. Must be allowed to purchase all foods listed on the food instrument or CVV, regardless of price.
6. Must be afforded the same courtesies given to other store customers.
7. Must be permitted to purchase eligible food items without making other purchases.
8. Must be charged the same shelf prices as other non-WIC customers.
9. Must not be charged sales tax, except on the purchase amount that is in excess of the amount on the cash value/ fruit and vegetable voucher, if applicable.
10. Must be reported to Georgia WIC immediately if they attempt to purchase foods that are not approved or create other problems in the store.
11. Must not be required to purchase every item on the food instrument.
12. Must not be contacted regarding restitution, payment or to obtain a missing signature.

### More Important Notes.

1. WIC approved foods purchased with a WIC food instrument cannot be returned for a cash refund.
2. WIC food instruments from other states must not be accepted.
3. If a manager is called to approve a WIC food instruments transaction, it is imperative that the customer is not identified as a WIC participant, parent, caretaker and/or proxy. Every effort must be made to protect confidentiality and discussion of the transaction should be kept at a conversational level.
4. Separate checkout lines for the WIC customer are prohibited. Signs such as “WIC food instruments not allowed in this line” or “No Checks-No WIC” cannot be displayed. However, vendors who wish to ensure that the WIC customer does not enter certain lines, such as express lines, may post “Cash Only” signs in those lines.

5. Every store must check the customer's WIC identification card for the proper WIC ID number and authorized signature(s). WIC customers have been instructed about the importance of carrying the WIC ID card to the grocery store when using WIC food instruments. Food Instruments cannot be redeemed without the WIC ID card which shows the name of the person redeeming the food instruments.
6. Whenever food instruments are lost or stolen from a WIC health facility, Georgia WIC will notify area vendors that a stop payment has been placed on the food instruments. Vendors will be provided the food instrument numbers and informed not to accept the food instruments for redemption. These food instruments will not be paid.
7. The vendor must not provide refunds or permit exchanges for authorized supplemental foods obtained with food instruments except for exchanges of the same brand and size of authorized supplemental food item when the original authorized supplemental food item is defective, recalled, spoiled, or has exceeded its "sell by" or "best if used by," or other date limiting the sale or use of the food item.
8. The WIC customer must be allowed to participate in in-store or manufacturer promotions that are available to all other customers, and that include WIC approved food items. This includes 'buy one get one or more free' promotions.
9. The WIC authorized vendor, its paid or unpaid owners, officers, managers, agents and employees shall not engage in any activity with the WIC participant, proxy, or caretaker that would create a conflict of interest, as determined by Georgia WIC. Authorized WIC vendors are not permitted to act as a proxy for a WIC participant.
10. The vendor is not permitted to provide transportation for the WIC customer to or from the vendor's premises.
11. The vendor is not permitted to deliver WIC approved foods to the WIC customer's residence.
12. The vendor shall not take back items purchased by the participant nor shall a vendor ask about obtaining food items that the participant chooses not to buy with the WIC food instrument.
13. The vendor must not provide unauthorized food or non-food items, cash, credit (including "rain checks") in exchange for food instruments.
14. Georgia WIC will review food instruments submitted for redemption to ensure compliance with price limitations and to detect suspected vendor overcharges and other errors.
15. Georgia WIC may require reimbursement for the full price of the food instrument that contains a vendor overcharge or other error detected as a result of compliance investigations, food instrument reviews, or other reviews or investigations of a vendor's operations.

## Food Instrument Payment Procedures

**All** authorized vendors are required to enroll in the Automated Clearing House (ACH) for payment of WIC food instruments that exceed the maximum allowable price. At the time of authorization and re-authorization, vendors are also required to provide a single account number to which the vendor will deposit all WIC food instruments. If this account number changes, the vendor must notify Georgia WIC in writing within two business days. Upon authorization the ACH Enrollment Form is sent with the Vendor Stamp. **The form must be completed and submitted immediately to the address indicated on the form.** Vendors will have five business days from the date of receipt of the ACH Enrollment Form to enroll. Failure to enroll within the allotted timeframe will result in termination of the vendor agreement.

Approved payments will be posted to the vendor's bank account immediately. Vendors will be able to view their ACH statements on-line at any time on the WIC Banking website at [www.wicbanking.com](http://www.wicbanking.com) by entering their personal User ID and Password.

User ID and Passwords will be provided by Georgia WIC once the ACH enrollment form has been completed and forwarded to the WIC data processing contractor indicated on the form. Users are urged to change their password when entering the system for the first time. Assistance with changing passwords may be obtained from Georgia WIC at 404-657-2900 or toll free at 1-866-814-5468.

## Return Food Instrument Payment Procedures

- If the purchase price on a food instrument exceeds the maximum allowable price for the food instrument, it will be returned from the bank and stamped "Amount Exceeds Limit – Paid via ACH – Do Not Resubmit". The food instrument will be paid at a rate equal to the **average redeemed price for that food instrument code for the vendor's peer group.**
- Food instruments returned by the vendor's bank stamped "invalid vendor stamp," "unreadable vendor stamp," "missing vendor stamp," or "encoding error" should be corrected and resubmitted for payment through the vendor's bank of deposit. Once a submitted food instrument has been rejected for any of the above reasons, the vendor has 45 days to resubmit the food instrument before it will be considered stale and unredeemable.
- If the redeposit is unsuccessful, or for food instruments returned by the vendor's bank for reasons other than those listed above, send an email communication requesting technical assistance to the Office of Vendor Management. Provide an explanation outlining why the food instruments were returned and require a review for payment consideration. Do not send actual food instruments to the Georgia WIC Program. They will be returned to the vendor.
- Food Instrument returned by the vendor's bank stamped "stale date," "post date", "altered" or "signature missing" **will not be paid.**

## Vendor Redemption and Pricing Assessments

Any vendor with less than \$2,000.00 in annual WIC redemptions or not redeeming any WIC food instruments in sixty (60) days will be terminated from the program for a period of one (1) year. Food Instrument redemption data on all vendors will be reviewed on a quarterly basis.

A vendor must maintain competitiveness throughout the agreement period. Non-competitive pricing occurs when the amount paid per food instrument by Georgia WIC to a vendor for a month's payment for all food instruments except cash value food instruments, exempt infant formulas, and medical foods exceeds the statewide average amount paid per food instrument redeemed within the vendor's peer group by more than 50%. If a vendor is found to be non-competitive during an assessment, the vendor will receive written notice. If the vendor is identified as non-competitive for three (3) additional assessments, the vendor agreement will be terminated for a period of twelve (12) months.

Vendors are required to submit and maintain prices that are at, or lower than, other vendors currently participating in the program, within their designated peer group. Vendors must submit shelf pricing each quarter, at a minimum. If a vendor's prices **are more than ten (10) percent higher** than the maximum prices of others in its Peer Group **on more than three (3) items** – the vendor will receive a written notification that its pricing is not competitive. WIC vendors are required to maintain competitiveness during the entire agreement period. Vendors may be assessed at any time and those whose prices remain non-competitive for three (3) additional assessments, the vendor agreement will be terminated for a period of twelve (12) months.

Pharmacies and military commissaries are exempt from these redemption assessments.

## Vendor Cost Containment

The dollar amount that a store will be paid for each WIC food instrument will be calculated pursuant to the terms and conditions prescribed and approved by USDA. (See USDA website at <http://www.fns.usda.gov/wic/regspublished/vendorccinterim.pdf>). Food Instruments that are deposited in the vendor's bank, and that contain a dollar amount in the "pay exactly box" that exceeds the statewide and/or peer group Maximum Allowable Reimbursement Level (MARL) will be returned by the bank.

Georgia WIC will conduct an annual assessment of each current vendor, except pharmacies and military commissaries, to determine if they derive more than fifty (50) percent of their food revenue from WIC food instruments. Vendors will also be assessed at re-authorization. New vendors will be assessed within six (6) months of authorization to determine if they derive more than fifty (50) percent of their food revenue from WIC food instruments.

Georgia WIC uses vendor reported shelf prices to determine the Maximum Allowable Prices for food items and the Maximum Allowable Reimbursable Limit for food instruments redeemed monthly. Food instruments submitted by vendors in peer groups A through F are paid according to the MARL for their peer group. The WIC vendor agrees to accept an adjustment in the dollar amount written in the 'pay exactly' box of the WIC food instrument if the dollar amount exceeds the statewide average and/or peer group MARL. Vendors who exceed the MARL will be paid based upon the average shelf price, which will

be based on the average shelf prices for all comparable stores in the same peer group and/or the statewide average for a given time period.

All redeemed food items must have a corresponding and preceding shelf price submission for each authorized store location. Shelf price data is used to establish a database of prices and will aid in alleviating redemption issues for infrequently used food instruments. Vendors are encouraged to submit prices for new items as well as price changes of existing items **at any time**.

All vendors, except pharmacies and military commissaries, will be assessed at application, within six (6) months after authorization, and annually thereafter to determine whether they derive more than fifty (50) percent of their SNAP eligible food sales from WIC redemptions. Georgia WIC will conduct an initial Food Sales Assessment based on programmatic reports to determine whether a vendor is a Probable Above Fifty Percent Vendor (A-50).

Upon notification of Probable A-50 Status, vendors may challenge the initial findings by requesting a detailed Food Sales Assessment to demonstrate that their eligible food sales are less than their WIC sales. A vendor must submit its request for a detailed Food Sales Assessment within fifteen (15) days of the date of the Notice of Probable A-50 Status. A vendor will be determined to be an Above Fifty-Percent Vendor if: (1) it fails to follow the procedures to request a detailed Food Sales Assessment, (2) it fails to provide the documents or information required, (3) it fails to cooperate with the assessment process; or, (4) if the detailed Food Sales Assessment confirms that a vendor is an Above-Fifty Percent vendor.

Applicants or vendors that are determined to be an A-50 vendor will be denied at authorization or terminated from the program unless it is determined that denial of authorization for the vendor would result in inadequate participant access. Vendors determined to be A-50 will receive notification, which contains instructions on how to appeal the denial or termination under the Administrative Review procedures in place. Vendors that remain on the program due to inadequate participant access will be moved to Peer Group G.

## Important Notes About The Vendor Stamp

- Lost, stolen, or damaged stamps must be reported to Georgia WIC immediately.
- The vendor stamp must be kept in a secure location at all times.
- Vendors are NOT permitted to reproduce the vendor stamp. Vendors who redeem food instruments stamped with a reproduced stamp may be subject to investigation for fraud and a claim for restitution.
- Vendors will be held responsible for the unauthorized use of the vendor stamp by their paid or unpaid owners, officers, managers, agents, and employees.
- If the inkpad dries out, it is the vendor's responsibility to replenish the removable pad. Use only black liquid ink that is specifically designed for stamping mechanisms.
- The vendor stamp is **not** transferable to another location or individual.
- Food instruments stamped with an unauthorized vendor stamp **will not** be paid.

## CHANGES IN VENDOR INFORMATION

Any changes to the information provided on the vendor application must be communicated to Georgia WIC. Georgia WIC requires the vendor to provide advance written notice of any changes in vendor information including ownership, store location or cessation of operations. It is recommended that vendors use a traceable method of delivery of such notices.

### Changes in Store Location or Information

The vendor must provide Georgia WIC with at least twenty-one (21) days advance written notice of any changes in store location or information provided on the most recent vendor application. Each store is authorized based on the ownership and physical address that exists at the time of authorization, and authorization is not transferable to another store location. Therefore, if a change in store location is ten (10) miles or more from the original store location, the vendor must complete and submit an updated application (non-corporate vendor) or corporate attachment form (corporate vendor) **and** sign a new vendor agreement. If the change in store location is less than ten (10) miles from the original store location, the vendor must only complete and submit an updated application or corporate attachment form.

If Georgia WIC discovers that a change in location has occurred before a notice is received, then the vendor authorization number will be immediately terminated. All food instruments submitted for payment will be returned unpaid and Georgia WIC will establish a claim for reimbursement of redemptions.

The vendor must also provide Georgia WIC with written notice of any other change in business or contact information listed on the vendor application, including store name, hours of operation, telephone number and e-mail address(es).

### Changes in Store Operation and Sales Information

The vendor must provide Georgia WIC with written notice of any changes made to the "Operation and Sales" section of the vendor authorization application and "Operations, Sales, and Banking Information" section of the Corporate Attachment Form. Specifically, any change pertaining to the types of non-taxable food and non-food items sold by a vendor that are not SNAP or WIC eligible.

### Cessation of Operation

The vendor must provide Georgia WIC with at least twenty-one (21) days advance written notice of any changes to the operation or cessation of its business or cessation of business and the effective date. Georgia WIC will acknowledge the receipt of this information.

WIC-authorized vendors must provide Georgia WIC with at least twenty-one (21) days advanced written notice of any plan to cease operations, whether temporarily (e.g., remodeling) or permanently (e.g., store closure). An agreed upon cessation date for accepting and processing WIC food instruments will be established and adhered to. All WIC operations will be suspended during the time that a store is closed. The store location is unable to redeem WIC Food Instruments. In order to determine store readiness, an updated application review and satisfactory site visit are required before WIC operations resume. If

Georgia WIC discovers that an authorized location has temporarily closed without receipt of prior notice, the vendor authorization number will be immediately terminated. All food instruments submitted for payment will be returned unpaid and Georgia WIC will establish a claim for reimbursement of redemptions.

### **Changes in Ownership (including addition of owner)**

The vendor must provide Georgia WIC with at least twenty-one (21) days advance written notice of any changes to the ownership, corporate structure, and management of its business or cessation of business and the effective date. Georgia WIC will acknowledge the receipt of this information.

If business changes involve the addition of new owners, corporate officers, partners, and/or affiliates, a vendor must include the full name, social security number, and date of birth for each individual in its notice to the Department. New people added to an existing business, or who acquire the business must pass the Department's Business Integrity checks. A vendor will be immediately terminated from the program if it fails to provide the Department with advance written notice of such changes and fails to provide the requisite information the Department needs to conduct its Business Integrity checks.

For locations where none of the initial owners retain any ownership interest or for locations ceasing operation, the vendor authorization number will be terminated on the effective date of the change. Any food instruments submitted for payment after the effective date will be returned unpaid. If the vendor wishes to change the effective date, a written notification is required. Otherwise, the vendor authorization number will be terminated, as originally confirmed. Once termination occurs, a vendor must submit a new application and meet all current selection criteria. New owners must submit an application, since WIC vendor agreements are not transferable.

If Georgia WIC discovers that a change in ownership has occurred before notice is received, then the vendor authorization number will be immediately terminated. All food instruments submitted for payment will be returned unpaid and Georgia WIC will establish a claim for reimbursement of redemptions.

Upon the sale of the store, the authorized WIC vendor should inform the new owner that the Georgia WIC Vendor Agreement is non-transferable and that the new owner must submit an application to be considered for authorization as a WIC vendor. If the new owner submits a Vendor Application, then the new owner will be required to provide proof of purchase of the store from the previous WIC vendor.

If a vendor is disqualified from Georgia WIC, the vendor shall not continue operating as a Georgia WIC vendor by selling, assigning or otherwise transferring ownership to the vendor's partners, members, owners, officers, directors, employees, relatives by blood or marriage, heirs or assigns. Similarly, upon or after the assessment of a sanction, the vendor may not withdraw from the program, close the store or transfer ownership of the store to the vendor's partners, members, owners, officers, directors, employees, relatives by blood or marriage, heirs or assigns. Failure to abide by this provision may subject the vendor to civil liability, fines, and penalties.



## Reporting and Changing Shelf Prices

Shelf price surveys are used to identify stores that are in compliance with competitive pricing criteria.

USDA regulations require the Georgia WIC Program to "ensure that a vendor selected for participation in the program does not, subsequent to selection, increase prices to levels that would make the vendor ineligible for authorization." USDA regulations require a shelf price survey to be completed at least every six months following authorization.

Each vendor is required to submit the shelf prices for WIC food items carried in each store location. Georgia WIC collects mandatory shelf prices quarterly, but reserves the right to collect shelf prices outside of that time frame at its discretion. All "cost plus 10%" store locations must submit the final price charged for a food item.

Georgia WIC may request shelf prices for as many or as few items as it desires. Should an authorized Georgia WIC vendor change prices subsequent to authorization, the vendor is requested to inform Georgia WIC of such changes within forty-eight (48) hours of implementing the new prices. The vendor should make the changes at <https://sendss.state.ga.us/sendss/Wicpricing.wiclogin>. To access the database, please use the password provided in the notice for shelf price collection. In the event the vendor fails to update Georgia WIC of such changes, WIC may rely on the latest submission of shelf prices by the vendor in determining its current shelf prices.

Pricing must be submitted for all food items sold or anticipated being sold at each store location. Failure to submit shelf pricing for an item subsequently redeemed is a sanction-able violation (see "Sanction System"). Collection of shelf prices does not constitute either approval or denial by Georgia WIC of the actual shelf prices that the vendor charges WIC participants.

## PERFORMANCE COMPLIANCE

Pursuant to federal regulations, Georgia WIC is required to monitor all vendors for possible violations of the Georgia WIC Program's rules, regulations, policies or procedures. Program integrity is further maintained by WIC program representatives that monitor the use and handling of WIC benefits. The Georgia WIC Program utilizes multiple methods to monitor vendors and determine possible violations, including covert compliance investigations and routine monitoring visits to the store location. Any violations that are found will result in the imposition of sanctions (See "Sanction System").

Compliance with Georgia WIC policies and procedures is determined using the following methods:

1. Covert (undercover) compliance investigations
2. Overt announced and unannounced monitoring visits
3. Inventory / Record audits
4. Research and analysis of programmatic data, files, and reports.

### Covert Compliance Investigation

Vendors will not receive prior notice when a covert investigation has been scheduled. A vendor will not be advised of any violation that is discovered while the investigation is ongoing unless the violation requires proof of a pattern. In such cases, the vendor will receive written notice of the violation prior to documenting a second violation, unless Georgia WIC determines that notifying the vendor would compromise the investigation.

Vendors will receive notification of all results including violations **after** the investigation is considered closed by the WIC Program representatives.

Vendors may be identified for covert compliance investigations via:

- research of programmatic reports and vendor databases, such as high risk reports and redemption activity;
- vendors who have been reported for potentially violating program policies; or
- random selection if less than five (5) % of vendors are high risk;
- if the total number of vendors that are identified as high risk is greater than five (5) %, the investigations of those high risk vendors will be prioritized based on which indicators are flagged.

## Overt Monitoring

Representatives of the federal or state agencies may conduct announced and unannounced overt monitoring visits any time that the store is open for business. All records must be available for review by the representative of the agency upon request.

## Audits

Georgia WIC may conduct record or inventory audits on any vendor at any time. Vendors are required to maintain inventory records for the three (3) prior years plus the current year, and make these records available to authorized WIC representatives. Inventory audits will include the examination of food invoices or other proofs of purchase to determine whether a vendor has purchased sufficient quantities of supplemental foods to provide WIC customers the quantities specified on food instruments redeemed by the vendor during a given period of time.

### Acceptable Records of Inventory

An acceptable record of inventory is a purchase invoice from a wholesaler or supplier. Purchase invoices should reflect the name and address of the wholesaler or supplier, date of the purchase, list of the items purchased, size, stock number, quantity, unit price and total dollar amount for the quantity purchased. Itemized cash receipts must include the name and address of the store or a code number by which the store can be identified, the date of purchase, description of the items purchased, unit price and total purchase price. Itemized cash receipts that do not completely describe the item should have a computer code that can be verified by calling the store manager. Affidavits or oral statements are not acceptable as proof of inventory. During an audit, the vendor must supply Georgia WIC or its representative with documentation of pertinent records upon request.

An authorized WIC vendor must certify that it purchases infant formula only from sources identified on the Georgia WIC Program list of approved suppliers. The certification includes producing retained invoices, copies of purchase orders, receipts or any other proofs of purchase that clearly outline all purchases were made from an approved suppliers on the list at the time of purchase. Proofs of purchase should detail, at a minimum:

- 1) preparation entirely by the supplier from whom the WIC vendor makes the purchase
- 2) the name of the seller
- 3) the name of purchaser (WIC vendor)
- 4) date of purchase
- 5) date vendor received merchandise at the store (if different from the date of purchase)
- 6) a description of each formula purchased, to include brand name, unit size, unit price, type or form and quantity.

A vendor must retain all records of purchases, gross sales receipts, and invoices for all authorized supplemental foods stored at any of its locations or that are otherwise under the vendor's control for a period of three (3) previous years plus the current year. Upon request, the vendor shall make available the records to Georgia WIC. If any litigation, claim, negotiation, audit, or other action involving the

records has begun during the three-year period, the vendor shall keep the records until all issues have been resolved.

A Georgia WIC program representative may request proof of purchases via a compliance visit, a written or verbal request.

A vendor shall be given a specific timeline (generally 14 to 21 days) to submit purchase invoices to the Program. The vendor's failure to retain and provide purchase invoices to the Program upon request or within the period specified, is subject to a sanction and can lead to an authorized WIC vendor's disqualification from the Georgia WIC Program.

If acceptable purchase invoices do not support amounts paid to the authorized vendor for WIC food instruments submitted to the Program, the Program shall recover monies overpaid to the retail vendor.

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## **Programmatic Reports and Database**

The WIC Program will review data from specific programmatic reports or databases to identify vendors who may be out of compliance. For example, if a vendor is out of compliance due to overpricing, notification will be given to the vendor to provide an opportunity to reimburse Georgia WIC for the excess amount charged. Failure to repay will result in a program sanction (see "Sanction System").

Programmatic reports will also be generated to determine if a vendor is accepting food instruments outside of what is permissible for their peer group. As an example, a pharmacy vendor's redemptions will be assessed to determine if the location is accepting food instruments other than those for exempt or special infant formulas, including medical foods. Failure to comply shall result in termination of the vendor agreement for cause.

Overall, Georgia WIC monitors all authorized vendors based on established high risk criteria to ensure that vendors remain in compliance with regulations, policies and procedures throughout their agreement period.

## **High Risk Identification**

Georgia WIC must identify high-risk vendors at least once a year using criteria developed by the USDA and the Georgia WIC program. Georgia WIC will utilize a point ranking system to identify and rank vendors at high risk for WIC Program abuse.

Vendor monitoring takes place through the review of food transaction procedures, redemption patterns, and representative on-site visits. Compliance investigations will be conducted on vendors identified as high-risk.

## Conflict of Interest

Conflict of interest is prohibited between the Program and the vendor or retailer, as well as the local agency and the vendor. A conflict of interest exists when there is a pecuniary relationship between the vendor and the Program or the local agency. Additionally, a conflict of interest also exists when relatives serve WIC participants. Georgia WIC shall terminate the vendor agreement if the Program identifies a conflict of interest between the vendor and the Program or its local agency representatives.

To ensure the integrity of the WIC Program, both of the Vendor Management oversight functions shall ensure that no undeclared conflict of interest or the appearance of a conflict of interest exists for any employees of the Office of Vendor Management (OVM) and the Department of Public Health (DPH) Office of the Inspector General (OIG). Both offices shall ensure that no conflict of interest exists between their personnel and authorized retailers. A conflict of interest will be deemed to exist when an employee of a vendor oversight function is also a worker, owner or has relatives who work at or own a WIC approved retailer/vendor.

WIC OVM and OIG employees shall not engage in any activities which creates a conflict of interest between the employees' assigned functions and any other interests or obligations or those of immediate family members or business associates.

WIC OVM and OIG employees shall not engage in activities which violate federal or state laws, WIC Policies, or which, in any way, diminish the integrity, efficiency, or quality of the WIC Program.

WIC OVM and OIG employees shall not perform their official duties in a manner that would result in preferential or discriminatory treatment to any applicant or authorized vendor.

WIC OVM and OIG employees shall not, directly or indirectly, ask for, give, receive, or agree to receive any compensation, gift, reward, or gratuity for performing, omitting, or deferring the performance of any job related duties.

WIC OVM and OIG employees shall not abuse, misuse, or disclose confidential information in a manner that can result in a direct benefit to employee or immediate family member or business associate.

WIC OVM and OIG employees must refrain from directing or recommending that a WIC participant choose or stay away from a specific vendor/retailer to redeem benefits.

WIC OVM and OIG employees must refrain from knowingly making a decision intended to benefit or to disadvantage a specific authorized WIC vendor/retailer.

An owner or spouse of an owner of a WIC authorized vendor is prohibited from being concurrently employed by WIC.

**All conflicts of interest issues or complaints shall be reported directly to the DPH Office of Human Resources.**

## Complaints

Georgia WIC must have procedures in place to capture, document and resolve all complaints from applicants, participants, parents or caretakers of infants and children, proxies, retailer/vendors, staff and general public. Complaints of civil rights discrimination must be handled in accordance with 7 C.F.R. § 246.8(b).

The Georgia WIC Office is very concerned about all forms of program abuse and takes all complaints seriously. WIC customers are not allowed to verbally abuse retail store employees or violate the proper procedures for processing food instruments or cash value vouchers. Equally, WIC authorized vendors are held accountable for observing the program's policies, procedures and honoring the terms of the vendor agreement. The Georgia WIC Program provides a toll-free (in Georgia) customer service hotline (1-866-814-5468) that WIC vendors and participants may call to report complaints/incidents or to make inquiries. The participant may also contact their local WIC clinic to voice any complaint/incident.

The local agency must complete a complaint/incident form and begin the resolution process on all complaints from a WIC participant concerning a vendor. Once a complaint/incident is initiated at the local level, correspondence or contact is made with the State WIC office for additional processing. Resolution, at the State agency, will be initiated within twenty-four (24) hours of receipt. The local agency will receive notification regarding how and when the complaint/incident was resolved.

### **Participant Complaints**

Authorized WIC vendors are encouraged to report all participant complaints to the Georgia WIC State Office. Examples of participant complaints include, but are not limited to:

- adverse treatment of a vendor's owner, manager or employees;
- use of altered WIC food instruments (i.e., changing dates, names, or food amounts);
- purchase or attempted purchase of unauthorized foods with WIC food instruments;
- persistent attempts to purchase larger quantities of an authorized supplemental food item than listed on a WIC food instrument;
- transaction of WIC food instruments outside of the valid period;
- transaction of WIC food instruments at an unauthorized vendor;
- sale of WIC food instruments or other Food and Nutrition Service (FNS) authorized coupons;
- transaction of WIC food instruments by a person not listed on the Georgia WIC Program ID Card (WIC ID).

### **Vendor Complaints**

Vendor complaints are those complaints filed by WIC participants or others concerning an authorized WIC vendor. Examples of vendor complaints include, but are not limited to:

- adverse treatment of a WIC participant by a vendor's owner, manager or employee;
- charging more to WIC participants than other customers;

- providing outdated or spoiled food items;
- refusal to accept manufacturers' coupons, or other store discounts; and
- Inadequate variety and/or quantity of WIC-authorized supplemental food items.

The Georgia WIC Program will take the appropriate follow up action on all complaints received.

### **Responding to/Resolving Participant Complaints:**

Vendors may file a complaint against a WIC participant/proxy by calling the Customer Service Hotline or by contacting the Office of Vendor Management by mail. The Office of Vendor Management will refer the participant complaint to the Office of Program Integrity and Strategy for follow up and resolution.

### **Responding to/Resolving Vendor Complaints:**

The Office of Vendor Management will accept, investigate, take the appropriate follow up action and resolve all reported vendor related complaints.

### **Resolution Process for complaints against Vendors:**

The WIC Vendor location identified in a complaint will be contacted by a representative of the Georgia WIC Program within one (1) business day of receipt of a complaint. The following steps will be taken:

- Discuss the specific details of the complaint;
- Provide technical assistance (if applicable);
- Request that vendor research the complaint and develop a corrective action plan for resolution, i.e.
  - Train employees
  - Contact complainant (if permitted)
  - Proactively correct non-compliance complaint.
- Where a complaint cannot be investigated and resolved within the same business day, the Georgia WIC Program representative will request a response from the vendor in two (2) business days or less confirming a final disposition where the corrective action plan has been completed as agreed upon.
- After complete resolution has taken place, all parties involved are contacted to ensure satisfactory resolution has taken place.
- The details of the complaint and its final disposition will be formally documented and can result in additional program follow-up, depending on the nature of the complaint.

A vendor may be investigated when a complaint/incident appears to be a sanction-able offense. Follow-up efforts and a final disposition may result in compliance visits, warning letters and notice of sanction-able offenses.

### **Complaints of Civil Rights Violations**

Complaints of Civil Rights violations will be handled in accordance with Federal Law and the **Department of Agriculture (USDA) policy**. The policy states:

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender

identity, religion, reprisal and, where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or if all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442, or email at [program.intake@usda.gov](mailto:program.intake@usda.gov). Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (for Spanish).

The Office of Vendor Management will document all received complaints. If the referral is participant related, the complaint will be referred to the Office of Program Integrity and Strategy for follow up and resolution.

All vendor complaints will be handled as outlined in "Vendor Complaints" and a final report will be provided to the USDA.

## Confidentiality of Retailer Information

The State of Georgia strongly supports public access to records in an effort to promote transparent and open government, and, thus, finds that public records should be made available for public inspection without delay, except when specifically required by federal statute or regulation to be kept confidential.

The federal statute and regulations governing the administration of the Georgia WIC Program requires that confidential vendor information not be disclosed. Confidential vendor information is any information about a vendor (whether it is obtained from the vendor or another source) that individually identifies the vendor, except for vendor's name, address, telephone number, Web site/email address, and vendor type and authorization status. The Georgia WIC Program will apply the same limitations to the use and release of information obtained from USDA-Supplemental Nutrition Assistance Program (SNAP) regarding SNAP retailers, whether or not the retailer is a WIC retailer. Except as otherwise permitted by this section, the Georgia Women, Infants and Children Program must restrict the use or disclosure of confidential vendor information to:

(1) Individuals directly connected with the administration or enforcement of the WIC Program or the Georgia Department of Human Services – Supplemental Nutrition Assistance Program (SNAP) or whom Georgia WIC Legal Unit determines have a need to know the information for purposes of these programs.

(2) Individuals directly connected with the administration or enforcement of any Federal or State law or local law or ordinance. Prior to releasing the information to one of these parties (other than a Federal agency), Georgia WIC must enter into a written agreement with the requesting party specifying that



such information may not be used or disclosed except for purposes directly connected to the administration or enforcement of a Federal, or State law; and

(3) a vendor that is subject to an adverse action, including a claim, to the extent that the confidential information concerns the vendor subject to the adverse action and is related to the adverse action.

## **WIC Vendor Agreement**

The State of Georgia WIC Vendor Agreement defines the roles and responsibilities of authorized retailers. By reference this WIC Vendor Handbook is made part of the Vendor Agreement and the policies and procedures outlined in this handbook are an integral part of the Vendor Agreement. The Vendor Agreement, Vendor Handbook, federal regulations, and policy letters outline Georgia WIC Program policies and procedures that must be met by each authorized vendor location.

Georgia WIC may terminate the Vendor Agreement with an authorized vendor by providing fifteen (15) days advance written notice. The vendor may terminate the Vendor Agreement by providing twenty-one (21) days advance written notice. The parties shall not be released from the duty to perform their obligation up to the date of termination. Neither Georgia WIC nor the authorized vendor location has an obligation to renew the Vendor Agreement.

### Vendor Agreement Renewal (Reauthorization) and Amendments

Prior to the end of an agreement period, as assigned by the Georgia WIC Program, the vendor must apply for renewal of the agreement. The reauthorization process requires the completion of reauthorization training (see "Vendor Training"), submission of a new application, submission of all required documentation as outlined in the vendor application as well as meeting &/or exceeding the selection criteria as outlined prior to the end of the current agreement period (see "Vendor Authorization and Participation"). Renewal of the agreement will be based upon both the vendor limiting criteria and vendor selection criteria.

Expiration of a contract or agreement with a grocer or pharmacy is not subject to appeal. Neither the State Agency, nor the vendor has an obligation to renew the contract or agreement.

The vendor agreement may be amended, at any time, at the sole discretion of the Georgia WIC Program. Vendors, who do not accept, sign and return amendments to the agreement, as outlined are subject to expiration of their current vendor agreement after fifteen (15) days' notice.

## TERMINATION OF THE VENDOR AGREEMENT

### Summary Termination

Georgia WIC will immediately terminate this agreement if it determines that the vendor provided false information or made a material omission in connection with its application for authorization or re-authorization.

### Termination upon Notice

Georgia WIC may terminate the vendor agreement for cause after providing at least fifteen (15) days advance written notice. Use of the vendor stamp shall be discontinued fifteen (15) days after the date of the termination notice. Any food instruments submitted for payment after fifteen (15) days of the date of the termination notice will not be paid. All terminations shall remain in effect during the administrative review process. Reasons for termination **may include, but are not limited to, the following:**

1. Voluntary withdrawal from the WIC program.
2. The decision to sell the store.
3. Use of the WIC acronym, WIC logo, or close facsimiles thereof, in total or in part, in a manner that violates the provisions of this vendor handbook.
4. Accepting food instruments through the mail or mailing any approved formula/medical food directly to the WIC customer.
5. Failure to complete and submit documentation for annual training by the deadline specified by Georgia WIC.
6. Failure to provide Georgia WIC with written notice of a change in the vendor's business within at least twenty-one (21) days in advance of the change (including but is not limited to a change in ownership, name, location, corporate structure, sale or transfer of the business, or cessation of operation.)
7. Two (2) failed attempts by Georgia WIC to contact the vendor during business hours at the vendor's reported address and telephone number.
8. Determination that the vendor's SNAP license is invalid or not current.
9. Intentionally providing false information or vendor records, other than information or records provided in connection with a vendor application for authorization or re-authorization.
10. Failure to provide food instruments, inventory records, food sales or tax information upon request.

11. Failure to allow monitoring by WIC representatives, or harassing or threatening any WIC representative.
12. Forging a participant's signature on a WIC food instrument.
13. Reproducing the WIC vendor stamp.
14. Identification by Georgia WIC of a conflict of interest as defined by applicable state laws, regulations, and policies, between the vendor and Georgia WIC or its local agencies.
15. Failure to enroll in ACH within the time specified.
16. Four (4) failed assessments for non-competitive prices within a 12-month period or less.
17. Providing prohibited incentive items as part of a WIC transaction, in a manner that violates the provisions of this handbook.
18. Failure to meet the selection criteria in effect at the time of assessment at any time throughout the agreement period.
19. Less than \$2,000.00 in annual WIC redemptions or not redeeming any WIC food instruments in sixty (60) days, except pharmacies and military commissaries.
20. Vendors that are determined to be an A-50 vendor will be terminated from the program, unless it is determined that termination would result in inadequate participant access.
21. Violation of any federal or state law or regulation, or terms of the WIC Vendor Agreement or Vendor Handbook not otherwise covered by the sanction system.

After being terminated from the Georgia WIC Program, the vendor will not be automatically reinstated as an authorized WIC vendor. The vendor may re-apply, as a new applicant, no sooner than one (1) year after being terminated from Georgia WIC. To re-apply, the vendor must complete the application process in its entirety.

## SANCTIONS AND THE SANCTION SYSTEM

### Sanctions

Any authorized WIC vendor found to be in violation of federal regulations or Georgia WIC policy will be assessed a sanction consistent with the severity and nature of the violation. Vendor violations means any intentional or unintentional action of a vendor's paid or unpaid owners, officers, managers, agents or employees, with or without the knowledge of management, that violates the WIC Vendor Agreement or federal or state statutes, regulations, policies or procedures governing the Program.

There are seven (7) categories of sanctions: three (3) categories of state agency sanctions and four (4) categories of federal mandatory sanctions. State agency sanctions are established by Georgia WIC program representatives and have been approved by the United States Department of Agriculture (USDA) prior to implementation. State agency sanctions include disqualification, and civil money penalties assessed in lieu of disqualification in the event of inadequate participant access. Federal mandatory sanctions are established by the USDA. Both state agency and federal mandatory sanctions must be enforced when violations occur.

Violations are categorized by the nature and severity of the violation. Each category has a prescribed period of disqualification. Sanctions shall be assessed as follows:

1. In the event of multiple violations, the highest sanction assessed to a vendor shall determine the period of disqualification.
2. All State agency violations assessed are retained in the vendor's file for a period of one (1) year and will roll off at the end of that period.
3. If both mandatory and state agency sanctions result from a single investigation, and the disqualification for a mandatory sanction is not upheld during the administrative review process, then Georgia WIC may impose the state agency sanction.

Georgia WIC will notify a vendor in writing when an investigation reveals an initial incidence of a program violation for which a pattern of incidences must be established to impose a sanction before another violation is documented, unless Georgia WIC determines that notifying the vendor would compromise an investigation.

### Disqualification

A vendor will be disqualified from Georgia WIC for committing certain program violations. The actual disqualification period is determined using the same criteria for every vendor.

1. Georgia WIC will not accept voluntary withdrawal as an alternative to disqualification.
2. A vendor that has been disqualified from SNAP will be disqualified from WIC for the same period of time. If a vendor has been assessed a CMP in lieu of disqualification for a SNAP violation, the vendor agreement will be terminated for the initially issued SNAP disqualification period.

3. Disqualification from the WIC Program may also result in a civil money penalty or disqualification from SNAP. Such disqualification may not be subject to administrative or judicial review under SNAP.
4. If a vendor is disqualified or assessed a civil money penalty (CMP) for a federal mandatory sanction from the WIC Program in another state (see federal mandatory sanctions), the vendor will be disqualified from the Georgia WIC Program for the same period of time.
5. A vendor may be assessed (CMP) in lieu of disqualification, if the disqualification will result in inadequate participant access. Upon assessment of a CMP, the disqualification period will be waived. Subsequent visits may be conducted during a waived disqualification period. If violations occur during a subsequent visit, the vendor will be disqualified for a period equal to the period that the CMP was assessed or a second CMP may be imposed.

### Effective Date of Adverse Actions

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Denials of vendor authorization and permanent disqualifications are effective on the **date of receipt** of the notice of the adverse action, at which time the vendor stamp will be discontinued. All other adverse actions against a vendor are effective fifteen days after the **date of the notice** of the adverse action. For those adverse actions resulting in disqualification (other than denials of vendor authorization and permanent disqualifications), use of the vendor stamp shall be discontinued fifteen days after the date of the notice of the adverse action. Any food instruments submitted for payment after fifteen days of the date of the notice of the adverse action will not be paid. All adverse actions shall remain in effect during the administrative review process.

### The Sanction System

Below is a description of the Georgia WIC sanction system and how it works. For those violations that require a pattern, a pattern is established when the same violation occurs at least twice.

### State Agency Sanctions

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If a violation occurs in Category I, the vendor will receive written warning for the first offense. If the **same** violation occurs a second time within twelve (12) months from the date of this first offense warning notification, the vendor will receive another warning for the second offense. If the **same** violation occurs a third time within twelve (12) months from the date of this first offense warning notification, the vendor will be disqualified for the time period specified for that category (six months).

If a violation occurs in Category II, the vendor will receive written warning for the first offense. If the **same** violation occurs a second time within twelve (12) months from the date of this first offense warning notification, the vendor will receive another warning for the second offense. If the **same**

violation occurs a third time within twelve (12) months from the date of this first offense warning notification, the vendor will be disqualified for the time period specified for that category (eight months.)

If a violation occurs in Category III, the vendor will receive written warning for the first offense. If the **same** violation occurs again within twelve (12) months from the date of this first offense warning notification, the vendor will be disqualified for the time period specified for that category (ten months).

If a vendor receives a warning letter and desires further explanation, the vendor may call Georgia WIC and speak with the Vendor Relations Unit Manager or submit a written request for further explanation to Georgia WIC.

#### State Agency Sanctions Category I - Disqualification for six months on third violation

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1. Stocking or selling out of date and/or inconsumable WIC food commodities to WIC participants. This will include any WIC product that has a specific expiration date, sell by, best if sold by or similar wording with a date printed on the container. **Note:** All observed concerns with sanitation and food safety will be immediately reported to the Georgia Department of Agriculture.
2. Failure to allow in-store or manufacturers' promotional or free item with a WIC purchase.
3. Failure to submit or return requested documentation, other than food instruments or inventory records, food sales, tax information, or documentation for annual training, by the stated deadline.
4. Failure to stock the required inventory of contract formula.
5. Failure to stock the required inventory of any WIC food items other than contract formula.
6. Claiming reimbursement for a food item for which there has been no submitted shelf price.

#### State Agency Sanctions Category II - Disqualification for eight months on third violation

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1. Allowing the purchase of WIC foods in unauthorized container sizes.
2. Requiring WIC participants to show any identification other than the WIC identification card.
3. Use of a non-approved label by a bread manufacturer in the vendor's store.
4. Prices not marked on or near WIC foods with the exception of Infant Formula or Fruits or Vegetables.

#### State Agency Sanctions Category III - Disqualification for ten months on second violation

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1. Failure to ring up a sale of WIC purchases.

2. Failure to write the price on a food instrument before the participant signs in plain sight of the participant during the WIC transaction.
3. Refusing to accept a valid WIC food instrument from a participant.
4. Allowing the substitution of one WIC approved food item listed on the food instrument for another WIC approved food item not listed on the food instrument.
5. Failure to repay charges within thirty (30) days.
6. Contacting WIC participants for any reason regarding a WIC transaction.
7. Requiring participant to pay cash to redeem WIC food instruments, except for personal payments for amounts over the maximum amount of a Cash Value/Fruit and Vegetable Food Instrument.
8. Allowing the purchase of any formula other than the one specified on the front of the food instrument.
9. Failing to provide a WIC participant with the same courtesies as other customers
10. Prices not marked clearly on or near WIC infant formula.
11. Allowing WIC food items to exceed the quantity specified on the food instrument (except for manufacturers' or in-store promotional or free items that are offered to all customers.)
12. Failure to allow the purchase of any WIC food item.
13. Issuing a "rain check"/IOU for WIC approved foods.
14. Charging sales tax on a WIC food item other than on the amount that exceeds the value of the Cash Value Fruit and Vegetable Voucher.
15. Failure to provide WIC participants with a receipt.
16. Failure to check a WIC customer's WIC ID card/folder.
17. Tampering with the manufacturer dates on any food item.

### **Federal Mandatory Sanctions**

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If a vendor previously has been assessed a Mandatory Sanction for any of the violations carrying one, three or six year disqualifications, and receives another sanction for any of these violations, then the second sanction will be doubled. If a civil money penalty is imposed in lieu of disqualification, then the amount of that penalty will be doubled up to the maximum limits per violation.

If a vendor previously has been assessed two or more sanctions for any of the violations carrying one, three or six year disqualifications, and receives another sanction for any of these violations, then the third sanction and all subsequent sanctions will be doubled. Civil money penalties shall not be imposed in lieu of disqualification for third or subsequent sanctions.

#### Federal Mandatory Sanctions Category IV - Disqualification for one year

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1. A pattern 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.
2. A pattern of an above-50-percent vendor providing prohibited incentive items to customers.

#### Federal Mandatory Sanctions Category V - Disqualification for three years

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1. A pattern of receiving, transacting, or redeeming food instruments or cash-value vouchers outside of authorized channels, such as at locations different from the authorized location listed on the Vendor Agreement, or the use of an unauthorized vendor or an unauthorized person. This includes but is not limited to delivering WIC food items to WIC participants, collecting WIC food instruments prior to completing the WIC transaction or collecting the WIC food instruments prior to the "first date of use" on the food instrument.
2. A pattern of providing credit or non-food items (other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives or controlled substances) in exchange for WIC food instruments or cash-value vouchers.
3. A pattern of vendor overcharges.
4. A pattern of charging for supplemental food not received by the participant. This includes but is not limited to vendor representatives receiving WIC foods not received by the participants. The WIC participant does not have the authority to give WIC foods to vendor or its representatives and neither does the vendor or its representatives have the authority to accept such WIC food items.
5. A pattern of 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 a specific period of time.
6. One incidence of providing alcohol or alcoholic beverages or tobacco products in exchange for WIC food instruments or cash-value vouchers.

#### Federal Mandatory Sanctions Category VI - Disqualification for six years

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1. One incidence of buying or selling WIC food instruments or cash value vouchers for cash (trafficking).



2. One incidence of selling firearms, ammunition, explosives, or controlled substances, in exchange for food instruments or cash-value vouchers.

#### Federal Mandatory Sanctions Category VII - Permanent disqualification

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1. Conviction for trafficking in food instruments or cash-value vouchers
2. Conviction for selling firearms, ammunition, explosives, or controlled substances in exchange for food instruments or cash value vouchers.

## **Additional Notes on Violations**

Vendors who commit fraud or abuse in the program are subject to criminal prosecution. Those who have willfully misapplied, stolen or fraudulently obtained program funds will be subject to a fine of not more than \$25,000.00 or imprisonment for not more than five years, or both, if the value of the funds is \$100.00 or more. If the value is less than \$100.00, the penalties are fines of not more than \$1,000.00 or imprisonment for not more than one year, or both. Georgia WIC will refer all criminal activity including theft and fraud to law enforcement.

When Georgia WIC determines that a vendor has committed a vendor violation that affects payment to the vendor, Georgia WIC will delay payment and establish a claim. In addition to delaying payment and asserting a claim, Georgia WIC may sanction the vendor for vendor overcharges or other errors in accordance with the sanction schedule. Payment of food instruments submitted through the banking system by the vendor will be suspended as of the date of the notice of adverse action pending review by Georgia WIC. The vendor will be instructed to submit all outstanding food instruments to Georgia WIC for review and payment consideration.

## **Civil Monetary Penalties (CMP)**

Prior to disqualifying a vendor for any mandatory or state agency violations, Georgia WIC must determine if disqualification of the vendor will result in inadequate participant access. Inadequate participant access occurs when there is not another authorized WIC vendor within ten miles of the vendor who has committed the violation. Only when Georgia WIC determines and documents that disqualification of the vendor would result in inadequate participant access, a civil money penalty must be imposed in lieu of disqualification. CMPs will only be assessed for both state and mandatory sanctions in the event of inadequate participant access, as determined by Georgia WIC. The CMP shall not exceed \$11,000.00 per violation, or \$49,000.00 for multiple violations occurring during a single investigation.

CMPs must be paid within thirty (30) days of the notice of approval. Installments may be considered up to a maximum of six (6) months. If a vendor does not pay, partially pays, or fails to pay a CMP assessed in lieu of disqualification on time, the Georgia WIC Program will disqualify the vendor for the length of the disqualification corresponding to the violation for which the CMP was assessed. A CMP does not relieve a vendor of the financial liability for timely payment of claims assessed for vendor violations or errors. Assessed claims must be paid in addition to the CMP.

## **CMP Methodology for State Agency Sanctions**

A vendor may be assessed a CMP in lieu of disqualification if the disqualification will result in inadequate participant access. Upon assessment of a CMP, the disqualification period will be waived. Subsequent visits may be conducted during a waived disqualification period. If violations occur during a subsequent visit, a vendor will be assessed a warning for those violations and may be issued another CMP in lieu of disqualification if the requisite pattern of violations is met. Only two (2) CMPs may be assessed against a vendor. A vendor will be disqualified from the Georgia WIC Program for third and subsequent sanctions.

CMPs will be assessed in lieu of disqualification for State Agency sanctions based on the chart below.

### Civil Money Penalty Formula for State Agency Sanctions Based on Six Month WIC Redemption

Category	For \$0 to \$11,000 in Redemptions (CMP Base Rate)	For Redemption Amount Above \$11,000 (CMP= Base Rate + % of Total Redemption over \$11,000)
Category I	\$500	\$500 + 1% of redemption over \$11,000
Category II	\$1,000	\$1,000 + 2% of redemption over \$11,000
Category III	\$1,500	\$1,500 + 3% of redemption over \$11,000

For State agency Sanctions, the first CMP will be reduced by fifty (50) percent if the vendor presents documented proof that they had an effective training program in place. At a minimum, the training content must be centered around cashier operations which have a direct impact on the quality of adhering to WIC policies and procedures as an authorized WIC vendor. The vendor is responsible for informing and training all of its cashiers and other staff on the most current WIC policies and procedures, at all times.

The submitted training documentation must show proof of the following:

- An outline of training content covered
- The name of the store personnel administering the training
- The signature, date of signature by the trainer next to a statement attesting to having administered the content as outlined
- A list of the names of the personnel trained
- A signature of personnel in attendance next to their listed name
- The date and location of the training

**Note:** this training *must be* held during the fiscal year and before the disqualification notification.

CMPs cannot exceed \$11,000.00 per violation or \$49,000.00 per investigation. If more than one (1) violation is detected during a compliance investigation, a CMP must be imposed for each violation (up to the \$11,000.00/\$49,000.00 limits). Only two (2) CMPs can be assessed against a vendor. CMPs cannot be imposed in lieu of disqualification for third and subsequent sanctions in these categories.

### CMP Methodology for Mandatory Sanctions

For a violation that warrants permanent disqualification, the amount of the CMP shall be \$11,000.00 for each violation, not to exceed \$49,000.00.

For each violation subject to a mandatory sanction, the following formula will be used to calculate the amount of the CMP imposed in lieu of disqualification.

1. Determine the vendor's average monthly redemptions for at least the six (6) months ending immediately preceding the month during which the notice of the adverse action is dated.
2. Multiply the average monthly redemptions figure by ten (10) percent.
3. Multiply the amount from step 2 above by the number of months for which the store would have been disqualified. This is the amount of the civil money penalty, provided that the civil money penalty shall not exceed \$11,000.00 per violation. The total amount of the CMP assessed for violations that occur during a single investigation may not exceed \$49,000.00.

If a vendor who received a Categories IV, V or VI sanction receives a second sanction in any of these categories, the second sanction must be doubled. However, CMPs can only be doubled up to the limits stated above. CMPs cannot be imposed in lieu of disqualification for third and subsequent sanctions in these categories.

## ADMINISTRATIVE REVIEW AND APPEAL PROCEDURES

A vendor may appeal certain adverse action(s) imposed by Georgia WIC. Adverse actions a vendor may appeal, as well as Georgia WIC's administrative review procedures are detailed below. Vendors are required to adhere to these procedures if requesting review of an adverse action.

After a vendor requests an appeal, Georgia WIC will issue a written decision, including the basis for it, within ninety (90) days of the date of receipt of the vendor's request. This timeframe is an administrative timeframe only – it does not provide a basis for overturning an adverse action by Georgia WIC if a decision is not made within the specified timeframe.

If reimbursement is owed to Georgia WIC by the vendor as a result of the adverse action being affirmed after administrative review, neither the vendor nor its affiliates shall be eligible to participate as an authorized WIC vendor until the reimbursement is paid in full. The vendor may not circumvent reimbursement by selling or otherwise making any changes or amendments to its corporate structure that was in place since the time of its initial authorization.

### Procedures for Vendor Administrative Review, Hearings and Appeals

**(1) Effective Date of Adverse Actions** Unless a later date is specified in the notice of adverse action against a vendor by the State agency, all adverse actions (except denials of vendor authorization and permanent disqualifications which are effective on the date of receipt of the notice) shall be effective fifteen days after the date of the notice of the adverse action. All adverse actions shall remain in effect during the administrative appeal process.

### **(2) Full Administrative Review**

(a) The following adverse actions shall be subject to full administrative review upon timely request by the vendor:

- (i) denial of authorization based on the application of the vendor selection criteria for minimum variety and quantity of authorized supplemental foods, or on a determination that the vendor is operating a store sold by its previous owner in an attempt to circumvent a sanction, as stated in 7 C.F.R. § 246.12(g)(7);
- (ii) termination of an agreement for cause;
- (iii) disqualification; and
- (iv) imposition of a fine or a civil money penalty in lieu of disqualification.

(b) These procedures shall be followed in cases meriting full administrative review:

- (i) The State agency shall give written notice to the vendor of the adverse action, the procedures to follow to obtain full administrative review, the causes for and the effective date of the action. When a vendor is disqualified due in whole or in part for any of the violations listed in 7 C.F.R § 246.12(l)(1), the notice shall

include the following statement: "This disqualification from WIC may result in disqualification as a retailer in SNAP. Such disqualification is not subject to administrative or judicial review under SNAP."

- (ii) A vendor seeking review must send a written request for review to the Commissioner of the State agency within fifteen days from the date of the notice of adverse action, with a copy of the decision to be reviewed and any documents, argument, or information that the vendor contends would justify reversal;
- (iii) Upon receiving a timely request for review, the Commissioner shall refer the case to the Office of State Administrative Hearings (OSAH) for initial decision.
- (iv) The hearing before OSAH shall be conducted in accordance with the Georgia Administrative Procedures Act and the rules of OSAH. In addition, the Administrative Law Judge (ALJ) shall ensure that the vendor is given:
  - (A) Adequate advance notice of the time and place of the administrative review to provide all parties involved sufficient time to prepare for the review;
  - (B) The opportunity to present its case and at least one opportunity to reschedule the administrative review date upon specific request;
  - (C) The opportunity to cross-examine adverse witnesses. When necessary to protect the identity of WIC Program investigators, such examination may be conducted behind a protective screen or other device to conceal the investigator's face and body;
  - (D) The opportunity to be represented by counsel; and
  - (E) The opportunity to examine prior to the hearing the evidence upon which the State agency's action is based.
- (v) The ALJ's determination shall be based solely on whether the State agency has correctly applied Federal and State statutes, regulations, policies, and procedures governing the WIC Program, according to the evidence presented at the review.
- (vi) The Commissioner shall appoint an attorney from the Office of General Counsel as a reviewing official to review the ALJ's initial decision at the request of either party within ten days of the date of the ALJ's initial decision, to ensure that it conforms to approved policies and procedures, and to render the final agency decision in accordance with O.C.G.A. § 50-13-41. If neither party requests that the ALJ's decision be reviewed, then the ALJ's decision shall become the final agency decision thirty days after it was entered.
- (vii) When the ALJ's decision is reviewed at the request of either party, the reviewing official shall provide written notification of the final agency decision, including the basis for the decision, and the vendor's right to seek judicial review pursuant to O.C.G.A. § 50-13-19, within the time period prescribed by O.C.G.A. § 50-13-41.

If the adverse action under review has not already taken effect, the review official's decision shall be effective on the date of receipt by the vendor.

**(3) Abbreviated Administrative Review**

(a) The following adverse actions shall be subject to abbreviated administrative review upon timely request by the vendor:

- (i) denial of authorization based on the vendor selection criteria for business integrity or for a current SNAP disqualification or civil money penalty for hardship;
- (ii) denial of authorization based on the application of the vendor selection criteria for competitive price;
- (iii) the application of the State agency's vendor peer group criteria and the criteria used to identify vendors that are above-50-percent vendors or comparable to above-50-percent vendors;
- (iv) denial of authorization based on a State agency-established vendor selection criterion if the basis of the denial is a WIC vendor sanction or a SNAP withdrawal of authorization or disqualification;
- (v) denial of authorization based on the State agency's vendor limiting criteria;
- (vi) denial of authorization because a vendor submitted its application outside the timeframes during which applications are being accepted and processed as established by the State agency;
- (vii) termination of an agreement because of a change in ownership or location or cessation of operations;
- (viii) disqualification based on a trafficking conviction;
- (ix) disqualification based on the imposition of a SNAP civil money penalty for hardship;
- (x) disqualification or a civil money penalty imposed in lieu of disqualification based on a mandatory sanction imposed by another WIC State agency;
- (xi) a civil money penalty imposed in lieu of disqualification based on a SNAP disqualification; and
- (xii) denial of an application based on a determination of whether an applicant vendor is currently authorized by SNAP.

(b) These procedures shall be followed in cases meriting abbreviated administrative review:

- (i) The State agency shall give written notice to the vendor of the adverse action, the procedures to follow to obtain an abbreviated administrative review, the causes for and the effective date of the action;

- (ii) A vendor seeking review must send a written request for review to the Commissioner of the State agency within fifteen days from the date of the notice of adverse action, with a copy of the decision to be reviewed and any documents, argument, or information that the vendor contends would justify reversal;
- (iii) Upon receiving a timely request for review, the Commissioner shall appoint a decision-maker who is someone other than the person who rendered the initial decision on the action to review the information provided to the vendor concerning the causes for the adverse action and the vendor's response, and to make a determination based solely on whether the State agency has correctly applied Federal and State statutes, regulations, policies, and procedures governing the Program;
- (iv) The decision-maker shall provide written notification of the final agency decision, including the basis for the decision, and the vendor's right to seek judicial review pursuant to O.C.G.A. § 50-13-19, within 90 days of the date of receipt of the request for an administrative review. If the adverse action under review has not already taken effect, the decision-maker's ruling shall be effective on the date of receipt by the vendor.

#### **(4) Actions not Subject to Administrative Review**

The following adverse actions are not subject to administrative review:

- (a) The validity or appropriateness of the State agency's vendor limiting criteria or vendor selection criteria for minimum variety and quantity of supplemental foods, business integrity, and current SNAP disqualification or civil money penalty for hardship;
- (b) The validity or appropriateness of the State agency's selection criteria for competitive price, including, but not limited to, vendor criteria and the criteria used to identify vendors that are above-50-percent vendors or comparable to above-50-percent vendors;
- (c) The validity or appropriateness of the State agency's participant access criteria and the State agency's participant access determinations;
- (d) The State agency's determination to include or exclude an infant formula manufacturer, wholesaler, distributor, or retailer from the list required pursuant to §246.12(g)(11);
- (e) The validity or appropriateness of the State agency's prohibition of incentive items and the State agency's denial of an above-50-percent vendor's request to provide an incentive item to customers pursuant to §246.12(h)(8);
- (f) The State agency's determination whether to notify a vendor in writing when an investigation reveals an initial violation for which a pattern of violations must be established in order to impose a sanction, pursuant to §246.12(l)(3);
- (g) The State agency's determination whether a vendor had an effective policy and program in effect to prevent trafficking and that the ownership of the vendor was not aware of, did not approve of, and was not involved in the conduct of the violation;



(h) Denial of authorization if the State agency's vendor authorization is subject to the procurement procedures applicable to the State agency;

(i) The expiration of a vendor's agreement;

(j) Disputes regarding food instrument or cash-value voucher payments and vendor claims (other than the opportunity to justify or correct a vendor overcharge or other error, as permitted by §246.12(k)(3); and

(k) Disqualification of a vendor as a result of disqualification from SNAP.

## Non-discrimination

Authorized Retail Store locations must offer WIC Participants the same courtesies as those offered to other customers, e.g., no separate lines or hours. Any practice that singles out Participants from other customers is prohibited. Such practices include:

- keeping lists of Participants,
- having Participants sign cash register receipts,
- having specific register lines Participants must use,
- keeping folders for each Participant,
- keeping Participants' receipts, and
- the offering or denial of incentives solely to WIC participants (based on 7 CFR 246.12(h)(3)(iii) and WIC Policy Memorandum 2012-3, Vendor Incentive Items).

In accordance with Federal law and U.S. Department of Agriculture policy, the Georgia WIC Program and all authorized Retailers are prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability.

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal and, where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov). Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).

Persons with disabilities, who wish to file a program complaint, please see information above on how to contact us by mail directly or by email. If you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

USDA is an equal opportunity provider and employer.

## WHERE TO GET MORE INFORMATION

Georgia WIC has a vendor customer service hotline (toll free in Georgia) available to assist Georgia WIC vendors with any aspect of the WIC Program. The hotline is available Monday through Friday, except State holidays, from 8:00 AM – 5:00 PM Eastern Standard Time (EST). After 5:00 PM and during periods of high volume calling, please leave a voice message.

Georgia WIC  
Office of Vendor Management  
2 Peachtree Street, NW  
10<sup>th</sup> Floor  
Atlanta, Georgia 30303-3142  
404-657-2900

Customer service hotline: 1-866-814-5468 (toll free within Georgia)

In accordance with Federal Law and Department of Agriculture (USDA) policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age or disability.

To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish)

**Buying, selling, or otherwise misusing WIC benefits is a crime. To report suspected abuse, call 800-424-9121 or visit [www.usda.gov/oig/hotline.htm](http://www.usda.gov/oig/hotline.htm).**

## Civil Rights

### Limited English Proficiency (LEP) – Other Language Services

Title VI of the Civil Rights Act of 1964, prohibits discrimination based on language. Any individual who applies to or participates in the WIC program who is not proficient in English must be provided with an interpreter. See **Federal Regulations: §246.8 (b)**, FNS Instruction 113-1, CNPP Civil Rights Policy Notice No. 2013-3

All participants must be advised at the service delivery point of the availability of other language services. As the main food delivery channel for Georgia WIC, the Program asks that each authorized vendor location uses appropriate interpreters to communicate information, where applicable. **Limited English Proficiency (LEP)** resources are available to assure meaningful access for all WIC participants. Approved interpreters are provided via a language line service. See below for instructions outlining the use of the service:

#### Language Line Services Quick Reference Guide

When receiving a call from a participant with limited-English, begin at Step 1; when managing a face-to-face service with a participant with limited-English, begin at Step 2:

1. PRESS “Conf” to place the non-English speaker on hold
2. DIAL: 1-866-874-3972
3. ENTER on your keypad or provide the representative with the Client ID and Company Name:  
*You may press 0 or stay on the line for assistance.*
  - 6-digit Client ID : 5 1 3 1 8 2
  - Company Name: WIC Branch
4. PRESS 1 for Spanish; Press 2 for all other languages (speak the name of the language when prompted)  
*An Interpreter will be connected to the call.*
5. BRIEF the Interpreter. Summarize what you wish to accomplish and give any special instructions.
6. Add the non-English speaker to the line or call.

When placing a call to an individual with limited-English, begin at Step 2 above.

If you need assistance when placing a call to a non-English speaker, you may press 9 to transfer to a representative at the beginning of the call. The Interpreter will connect you with the person to whom you want to speak. Once connected, the Interpreter will translate your information and the individual’s response.

## GLOSSARY

**Above-50 percent vendors** – A vendor that derives more than fifty percent of its SNAP eligible food sales revenue from WIC food instruments, and new vendor applicants expected to meet this criterion under guidelines approved by FNS. New vendors will be assessed within six (6) months of authorization, and all vendors will be assessed annually to determine if they are an Above 50% vendor. Applicants identified as potential or actual above 50% vendors will not be authorized. Authorized vendors assessed as Above 50 % vendors will be terminated from the program unless denial of authorization for that vendor would result in inadequate participant access. Pharmacies and military commissaries are exempt from this assessment.

**Applicant** – Anyone deemed associated with the ownership, management or operation of the applying entity including owners, officers, partners, directors, employees, members or stockholders, registered agents, relatives by blood or marriage, heirs, assigns, as well as the immediate family of owners, officers, partners, members or stockholders or registered agents.

**Administrative Review** – A review process offered to vendors attempting to challenge decisions made by the program. Such decisions include, but are not limited to, denial of authorization, disqualification, and termination of the vendor agreement.

**Affiliates** – A business that is related to another business, usually by being in the position of a member or a subordinate role. Two businesses may be affiliated if one has control over the other or if both are controlled by a third company.

**Annual Training** – A yearly mandatory training conducted for all WIC authorized stores to receive instruction regarding program changes and updates to policies and procedures.

**Authorized Supplemental Foods** – Those supplemental foods authorized by Georgia WIC for issuance to a particular participant.

**Automatic Clearing House (ACH)** – An electronic funds transfer network which enables participating financial institutions to distribute electronic credit and debit entries to bank accounts and to settle such entries.

**“Best if used by”** - Date limiting the sale or use of the food item as provided for in Federal Food Drug and Cosmetic Act.

**Cash-Value/Fruit and Vegetable Voucher (CVV)** – A fixed-dollar amount check, voucher, electronic benefit transfer (EBT) card or other document which is used by a participant to obtain authorized fruits and vegetables.

**Civil Money Penalty** – A monetary penalty that can be assessed in lieu of a sanction.

**Claim** - A bill or request for reimbursement of funds.

**Confidential Vendor Information** – Based upon § 246.26(e), confidential vendor information is any information about a vendor that identifies the vendor except for the vendor's name, address, authorization status, telephone number, web-site/e-mail address and store type.

**Conflict of Interest** - A conflict of interest exists when there is a pecuniary relationship between the Retailer and the Program or the Local Agency; when relatives serve WIC Participants; and/or when a technical assistance, training or monitoring visit is conducted by a program staff person who may be related to the store owner or other store management staff.

**Contracted Brand Infant Formula** – All infant formulas (except EXEMPT INFANT FORMULAS) produced by the manufacturer awarded the infant formula cost containment contract.

**Corporate Vendor** – A WIC authorized vendor that is owned by a corporate entity. A corporate vendor can be a publicly or privately owned corporation or a limited liability company (LLC).

**Cost-plus pricing or Cost-plus 10% pricing** - The practice, by a company, of determining the cost of their product to them and then adding a percentage on top of that price to determine the selling price to the customer.

**Covert Compliance Investigation or Compliance Buy** – An undercover, onsite investigation in which a representative of the WIC Program poses as a participant, parent, or caretaker of an infant or child participant, or proxy, transacts one or more food instruments, and does not reveal during the visit that he or she is a program representative.

**Customized Training** – Training that vendors can request to suit their specific training needs.

**Days** – Calendar days, unless otherwise noted.

**Delivery** – The act of transferring a product from a seller to its buyer outside the confines of the retail food establishment.

**Disqualification** – The act of ending the Program participation of a participant, authorized food vendor, or authorized State or local agency, whether as a punitive sanction or for administrative reasons (e.g. termination of vendors from Georgia WIC for program violations.)

**Documentation** – The presentation of written documents which substantiate statements made by a WIC applicant or participant or a person applying on behalf of an applicant.

**Exempt Infant Formula** – An infant formula that meets the requirements for an exempt infant formula under section 412(h) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. § 350a(h)) and the regulations at 21 C.F.R. parts 106 and 107.

**Federal Mandatory Vendor Sanction** – A sanction required by federal law for a vendor's violation of the WIC Vendor Agreement or the laws, regulations, rules, and policies governing the WIC program, imposed pursuant to 7 C.F.R. 246.12(l) (1).

**First date of use** – The first date on which the food instrument may be used to obtain supplemental foods.

**Food Instrument** – A voucher, check, electronic benefits transfer (EBT) card, coupon or other document which is used by a participant to obtain supplemental foods.

**Food Sales** – Sales of all Supplemental Nutrition Assistance Program (SNAP) - eligible foods intended for home preparation and consumption, including meat, fish, and poultry; bread and cereal products; dairy products; fruits and vegetables. Food items such as condiments and spices, coffee, tea, cocoa, and carbonated and noncarbonated drinks may be included in food sales when offered for sale along with foods in the categories identified above. Food sales do not include sales of any items that cannot be purchased with SNAP benefits, such as hot foods or food that will be eaten in the store.

**Food Sales Establishment License** – A license granted by the Georgia Department of Agriculture which permits the retail food vendor to sell food items.

**High-Risk Vendor** – A vendor identified as having a high probability of committing a vendor violation through application of the criteria established in § 246.12(j)(3) and any additional criteria established by Georgia WIC.

**Inadequate Participant Access** – Condition that exists when the distance between an authorized WIC vendor is ten (10) miles or more.

**Incentive Items** – may include, but are not limited to, cash prizes, lottery tickets, transportation, sales or specials and other free food or merchandise. Minimal customer courtesies of the retail food trade, such as bagging or helping load groceries are exceptions.

**Inventory** – Supplemental foods in stock, received, and issued.

**Inventory Audit** – The examination of food invoices or other proofs of purchase to determine whether a vendor has purchased sufficient quantities of supplemental foods to provide participants the quantities specified on food instruments redeemed by the vendor during a given period of time.

**Inventory Records** - Up-to-date records that are required for tax purposes and that include records on purchases, receipts, and inventory.

**Lack of Business Integrity** - Activities indicating a lack of business integrity include 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.

**Last Date of Use** – The last date on which the food instrument may be used to obtain authorized supplemental foods.

**LEP (Limited English Proficiency)** – an individual that is limited in the use of the English language.

**Minimum Inventory** – Required inventory that all vendors must carry everyday at all times, including, but not limited to, fruits and vegetables, and whole grains. Pharmacies are exempt from keeping minimum inventory.

**Non-Contract Brand Infant Formula** – All infant formula, including exempt infant formula, that is not covered by an infant formula cost containment contract awarded by that State agency.

**Non-WIC Inventory** – Food items that are not a part of the WIC minimum inventory or the WIC Approved Foods List.

**Participants** – Persons who are receiving supplemental foods or food instruments under the WIC Program, such as pregnant women, breastfeeding women, postpartum women, infants and children, and the breastfed infants of participant breastfeeding women.

**Pharmacy Vendor** – A WIC authorized vendor that is allowed to redeem only exempt or special infant formulas, including medical foods. All WIC approved Pharmacy Vendors who shall redeem only exempt or special infant formulas, including medical foods must be licensed by the Georgia State Board of Pharmacies to provide prescription drugs and special medical foods in Georgia.

**Pre Approval Visit** – An on-site visit to a vendor's retail food establishment to verify location, inventory, and all other information submitted on the vendor application.

**Price Adjustment** – An adjustment made by Georgia WIC, in accordance with the vendor agreement, to the purchase price on a food instrument after it has been submitted by a vendor for redemption to ensure that the payment to the vendor for the food instrument complies with Georgia WIC's price limitations.

**Proxy** – Any person designated by a woman WIC participant, or by a parent or caretaker of an infant or child WIC participant, to obtain and transact food instruments or to obtain supplemental foods on behalf of a WIC participant.

**Purchase price** – A space for the purchase price to be entered on the WIC food instrument.

**Offense or Violation** – An act against the programs rules, regulation, policies or procedure.

**Routine Monitoring** – Overt, on-site monitoring during which program representatives identify themselves to vendor personnel.

**Redemption** – The act of cashing the WIC food instrument according to WIC banking standards.

**Redemption period** – The date by which the vendor must submit the food instrument for redemption. This date must be no more than sixty days from the first date on which the food instrument may be used.

**Sanction** – A penalty that is imposed when WIC program rules, regulations, policies or procedures are violated.

**"Sell By"** - Date limiting the sale or use of the food item as provided for in Federal Food Drug and Cosmetic Act.

**Sign or Signature** – A handwritten signature on paper or an electronic signature.



**State agency** – The health department or comparable agency of each state. In this instance, the Georgia Department of Public Health, Maternal and Child Health Program, Office of Nutrition and WIC.

**Supplemental Nutrition Assistance Program (SNAP)** – *SNAP* is the new name for the federal *Food Stamp Program*.

**Termination** – Discontinuance of vendor participation in the Georgia WIC program.

**Trafficking** - The exchange of WIC checks for cash.

**Vendor** – A sole proprietorship, partnership, cooperative association, corporation, or other business entity operating one or more stores authorized by Georgia WIC to provide authorized supplemental foods to participants under a retail food delivery system. Each store operated by a business entity is considered to be a separate vendor and must be authorized separately from other stores operated by the business entity. Each store must have a single, fixed location. Mobile stores are authorized in Georgia only when necessary to meet the special needs described in the Georgia WIC State Plan in accordance with § 246.4(a)(14)(xiv).

**Vendor Authorization** – The process by which Georgia WIC assesses, selects, and enters into agreements with stores that apply or subsequently reapply to be authorized as vendors.

**Vendor Number** – A unique four digit number that is used to identify each vendor authorized to provide WIC food items. Redemption activity must be identified by the vendor that submitted the food instrument, using the vendor number. Each vendor operated by a single business entity must be identified separately.

**Vendor Peer Group System** – A classification of authorized vendors into groups based on common characteristics or criteria that affect food prices, for the purpose of applying appropriate competitive price criteria to vendors at authorization and limiting payments for food to competitive levels.

**Vendor Overcharge** – Intentionally or unintentionally charging Georgia WIC more for authorized supplemental foods than is permitted under the vendor agreement. It is not a vendor overcharge when a vendor submits a food instrument for redemption and Georgia WIC makes a price adjustment to the food instrument.

**Vendor Selection Criteria** – The criteria established by Georgia WIC to select individual vendors for authorization consistent with the requirements in § 246.12(g)(3) and (g)(4).

**Vendor Training** – The procedures Georgia WIC will use to train vendors in accordance with 7 C.F.R 246.12(i). Georgia WIC will provide training annually to at least one representative from each vendor. Vendor Applicants will receive training at the time of authorization. Participating Vendors will receive re-authorization training at least once every three years in an interactive format.

**Vendor Violation** – Any intentional or unintentional action of a vendor's paid or unpaid owners, officers, managers, agents, or employees (with or without the knowledge of management) that violates the vendor agreement or Federal or State statutes, regulations, policies, or procedures governing the Program.

**WIC** – The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) authorized by section 17 of the Child Nutrition Act of 1966, as amended (42 U.S.C. §1786).

**WIC-eligible medical foods** – Certain enteral products that are specifically formulated to provide nutritional support for individuals with a qualifying condition, when the use of conventional foods is precluded, restricted, or inadequate. Such WIC eligible medical foods must serve the purpose of a food, meal or diet (may be nutritionally complete or incomplete) and provide a source of calories and one or more nutrients; be designed for enteral digestion via an oral or tube feeding; and may not be a conventional food, drug, flavoring, or enzyme. WIC eligible medical foods include many, but not all, products that meet the definition of medical food in Section 5 (b)(3) of the Orphan Drug Act (21 U.S.C 360ee(b)(3)).