

GEORGIA WIC PROGRAM VENDOR HANDBOOK



Effective October 1, 2012

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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. 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 the participant, parent, caretaker and/or proxy, also known as the WIC customer, purchase only the prescribed foods. Prices charged by the vendor must be reasonable and competitive. Competitive prices will enable Georgia WIC to maximize services to its citizens. Authorized WIC vendors redeemed approximately \$261,791,971 in WIC food instruments during federal fiscal year 2011.

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.

WIC ACRONYM AND LOGO, ADVERTISEMENTS AND INCENTIVES

Use of the WIC Acronym and Logo

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. 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**.

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.

Payment Posters

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

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 page 36, '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.

VENDOR AUTHORIZATION AND PARTICIPATION

Vendor Authorization Process for Authorization

WIC Vendor Applications are accepted year round. All applicants must meet the Georgia WIC selection criteria at the time of application. After authorization, the vendor must continue to comply with all selection criteria throughout the agreement period including any changes to the criteria. 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 WIC. Vendor applications that are held pending receipt of additional information will expire ten days after the date of the written request for information.

It is a violation of Federal law to accept WIC food instruments without authorization from the appropriate agency. If it is determined that an applicant has accepted WIC food instruments prior to authorization, they will be subject to criminal prosecution and reimbursement for the unauthorized transactions. In addition, their application will be denied for a twelve (12) month period.

If an applicant is denied for failure to meet the selection criteria below, the application will be denied for a period of six months. Applicants may re-apply after their denial period has expired.

1. 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. Expired foods do not count towards minimum inventory; **all** WIC minimum inventory must be within the expiration dates during the application process, including the pre-authorization visit. The minimum inventory requirements are listed in the charts on pages 15 through 16 of this handbook. 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.
2. Pre-Approval Visit. Only those vendor applicants that pass initial screening will receive an announced on-site pre-approval visit from Georgia WIC representatives to verify the information listed on the application and items A and B above. 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 (see page 11). Georgia WIC will conduct the visit based on the date the vendor states that they will have the required

minimum inventory of WIC approved foods in stock (question 8C on the application.) If the vendor will not have the inventory by the date stated on the application, the vendor must contact our 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 once within 30 days from the application date. Applications from vendors unable to acquire the necessary inventory for authorization will expire thirty days from date the applicant declared they will have the minimum inventory, and the applications will be denied.

3. Non-Profit Vendor. Non-profit vendors are not authorized in Georgia.
4. Adequate Access for Participants. The store (with the exception of military commissaries and pharmacies) must be open for business at least eight hours per day, six days per week, and must be open during the hours specified on the Vendor Application. 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.)
5. Suitable Store Location. Stores must contain at least 3,000 square feet of retail food sales space open to the public, including administrative and storage space. New vendors applying to Georgia WIC for the first time must meet this requirement at the time of application. Vendors already participating in the program as of December 1, 2011 will have until October 1, 2012 to comply with this requirement. There must be a store sign to identify the store with the name of the business clearly marked. The store must not be located inside of another facility that is not food retail in nature (e.g. a suite on the upper floors of an office building, inside 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.
6. Licensed by the Georgia Department of Agriculture. Each store must have a valid Retail Food Sales Establishment License in the current owner's name. 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.
7. Competitive Prices with Similar Stores. Georgia WIC will establish procedures to ensure that an applicant vendor whose prices exceed maximum allowable prices for food items will not be authorized. Georgia WIC will establish procedures to ensure that a vendor selected for participation in the program will not, subsequent to selection, increase prices to levels that would make the vendor ineligible for authorization. Prices are compared with other stores within the vendor's peer group, except for above 50% vendors, whose prices are based on the statewide average of all regular vendors. Maximum allowable prices for food items are determined using the vendor-submitted shelf pricing by peer group.
8. Compliance with the Supplemental Nutrition Assistance Program (SNAP) Regulations. All vendors must be licensed as a SNAP retail provider. Pharmacies are exempt. Vendors who withdraw from SNAP, are disqualified from SNAP, or are terminated from SNAP due to non-redemption will be terminated from Georgia WIC. Unless necessary to ensure adequate participant access, Georgia WIC will not authorize an applicant that is currently

disqualified from SNAP, or that has been assessed a SNAP civil money penalty (CMP) for hardship and the disqualification period that would otherwise have been imposed has not expired.

9. 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.

10. Business Integrity/Background Checks. All new applicant vendors will be subject to background checks to determine the applicant's business integrity as a part of the pre-screening process. Any vendor that has a history of fraud, embezzlement or trafficking, or has engaged in any activity that Georgia WIC deems to be indicative of a lack of business integrity will be denied. Unless necessary to ensure adequate participant access, Georgia WIC will not authorize an applicant that does not meet the business integrity criteria, and may rely upon its own investigation as well as information provided on the application. 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, obstruction of justice, or any crime of moral turpitude.
 - b. Official records of removal from other federal, state or local programs will also be considered.

11. Store Acquisition. Georgia WIC will not approve a store location or entity that was sold or assigned to transfer the ownership of a disqualified vendor or his/ her partners, members, owners, officers, directors, employees, relatives by blood or marriage, heirs or assigns. If it is later determined that the applicant failed to abide by this provision, the vendor will be subject to civil liability, fines, and penalties.

12. 50% Criterion. All vendors are required to submit food sales data, purchase invoice receipts, and any other records requested to validate food sales upon request for Georgia WIC to monitor whether the vendor derives more than 50% of its annual food sales revenue from WIC food instruments. Vendors and applicants found to be actual or potential above 50% vendors at application, the six-month assessment, annual assessment or re-authorization will be assigned to peer group G.

13. Infant Formula Suppliers. All vendor applicants are required to purchase infant formula solely from a list of suppliers selected and approved by Georgia WIC. The list can be obtained via the Internet at www.wic.ga.gov/vendorinfo.asp (click on "Approved Infant Formula Suppliers"). If a supplier is not listed, the vendor may call 866-814-5468 to inquire about adding the supplier to the list. After the vendor has requested the addition, the vendor must ensure that Georgia WIC has authorized the supplier prior to purchasing any infant formula from that supplier. Records of the infant formula purchase must be

maintained for the three previous years plus the current year or until any pending investigations are closed, if longer.

14. 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 (see page 2).
15. 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.
16. 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.
17. 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 (see page 3).
18. Pharmacies. A pharmacy vendor shall 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.

Invoice Assessment

Vendor applicants must submit upon request purchase invoice receipts, bills of lading or recent invoices 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. Purchase invoices must 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.

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

Peer Groups

Authorized vendors are classified into seven different peer groups depending on square footage of the store (including administrative and storage space), number of stores in the chain, and potential or actual 50% status.

Peer Group	Type	Description
A	Small	3,000 to 10,000 Square Feet
B	Medium	10,001 to 15,000 Square Feet
C	Chain	15,001 or more Square Feet and 20 or more locations
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 actual or potential above 50% vendors at application, the six-month assessment, annual assessment or re-authorization will be assigned to peer group G.

RESPONSIBILITIES AND PROCEDURES FOR SELECTED VENDOR TYPES

Corporate Vendors (Multiple Locations and a Single FEIN)

A business entity having two or more stores operating under the same Federal Employer Identification Number (FEIN) and a corporate/home office or single owner/business entity that serves as the parent shall be classified as a “corporate vendor” by Georgia WIC for program purposes. An authorized representative of the business entity shall sign one agreement and list required information about each store that is an authorized vendor on Corporate Attachment Form 3771A. To add a new store, the corporate vendor must first amend their agreement by submitting the Corporate Attachment Form 3771A that includes required information about the new location and a Corporate Vendor Training Checklist. The new store **shall not** begin to accept food instruments until a vendor stamp has been received.

The Corporate Attachment Form is an addendum to the Corporate Vendor Agreement. The attachment serves as verification that the location listed is the authorized location in which WIC food instruments are to be redeemed. Vendors are not permitted to redeem food instruments in a location other than the authorized location listed in the Vendor Agreement or Corporate Attachment. The location listed on the Corporate Attachment Form will correspond to the Vendor Number that has been assigned to the store.

Pharmacy Vendors

Pharmacy vendors may redeem exempt and special infant formula only, including medical foods. No contract formula (i.e. contract infant formula listed on a standard food instrument) or other standard WIC foods listed on a food instrument may be redeemed by this peer group. Pharmacy vendors are exempt from maintaining minimum inventory requirements. All WIC approved Pharmacy Vendors who 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. All Pharmacy Vendors must provide a copy of their current license to the Georgia WIC Program upon request. Pharmacy vendors who participate in the Georgia WIC Program, classified as a pharmacy vendor (redeeming food instruments for exempt and special formula only, including medical foods) without a current pharmacy license in good standing will be terminated for a period of one year.

Programmatic reports will be used to verify performance compliance, such as whether a pharmacy vendor is redeeming only exempt infant formula food instruments. If authorized pharmacy vendors wish to change their classification to allow for the redemption of all WIC approved foods, a new application must be submitted. 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.

Corporations

New vendors who are incorporated will be required to complete the corporation information on the application including the name of their corporation and registered agent. Current vendors will be asked to download a corporate information form from the Georgia WIC website, and complete and submit it to the Georgia WIC office to update the vendor file. The form can be found at <http://wic.ga.gov/vendorinfo.asp>.

VENDOR TRAINING

Vendor training will be conducted to ensure that all vendors are familiar with Georgia WIC program policies and procedures. Training will be offered in one of the following formats: newsletters, videos, videoconferences, or interactive training sessions. A score of eighty points or higher on the training evaluation is required before a pre-approval visit will occur.

Vendors must register to attend training and must attend on the date they have elected. 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 will be required to show a government issued picture ID before they will be admitted.

Pre-Authorization and Re-Authorization Training

Georgia WIC will provide an initial training session in an interactive format prior to, or at the time of authorization, and at least once every three years thereafter at the time of vendor re-authorization. Georgia WIC will provide vendors with at least one alternative 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 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.

For corporate vendors, a representative of the corporate vendor must initially complete the authorized training session and receive a passing score of eighty 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, Vendor Management Unit, 2 Peachtree Street, Suite 10-476, 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 WIC Vendor Management website at www.wic.ga.gov/vendorinfo.asp 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 WIC Vendor Management 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, Retailers, and Manufacturers

All currently authorized WIC vendors **and** all stores applying for WIC authorization are required to purchase infant formula solely from a list of suppliers selected and approved by Georgia WIC. The list is located at <http://wic.ga.gov/vendorinfo.asp> (click on “Approved Infant Formula Suppliers”). If a supplier is not listed, a vendor may call 866-814-5468 or 404-657-2900 to inquire about adding them to the list. After the vendor has requested the addition, the vendor must ensure that Georgia WIC has authorized the supplier, prior to purchasing any infant formula from that supplier. Records of the infant formula purchase must be maintained according to the terms of the WIC Vendor Agreement.

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 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 items in each of the following categories must be in stock at all times.

Non-WIC Inventory Requirement

Food Item	Minimum in each category
Meats, Poultry and/or Seafood (refrigerated or frozen)	200
Breads and Cereal Products	200
Dairy (e.g. milk, cheese, yogurt, etc.)	200
Shelf Staples (e.g. flour, sugar, pasta, pudding mix, etc.)	200
Cans, Jars, Bottled Goods (e.g. mayo, ketchup, relish, etc.)	200
Beverages (e.g. soda, water, powdered drinks, etc.)	200
Snack Foods (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 October 24, 2011

Food Item	Types/Brands	Size	Minimum Inventory
MILK Least Expensive Brand of type selected/allowed	Whole Milk	Gallon	8 Gallons
	Fat Free/Skim, Low-Fat (1%), Reduced Fat (2%) Milk	Gallon	12 Gallons (Can be Combined)
	Dry Powdered Milk OR Evaporated Milk	Makes 3 Quarts 12 oz	3 Boxes 12 Cans
CHEESE Least Expensive Brand of type selected/allowed	One Pound Package	16 oz (1 Pound)	8 - 1 lb Packages 2 Types
EGGS Least Expensive Brand	Grade A Large	1 Dozen Carton	8 - 1 Dozen
PEANUT BUTTER	Any Brand Creamy, Crunchy, or Extra Crunchy (Regular or Low- salt)	16-18 oz	6 Containers 2 Brands
BEANS / PEAS / LENTILS	Dried Beans/Peas/ Lentils	1 Pound Packages	5 Packages - 2 Types
	Canned Beans/ Peas/ Lentils	14 - 16 oz Cans	18 Cans - 2 Types
JUICE	Ready to Serve Container	46-48 oz	12 Containers - 2 Types
	Ready to Serve Container	64 oz	12 Containers - 2 Types

**Georgia WIC Program
Minimum Inventory Requirements
Effective October 24, 2011**

Food Item	Types/Brands	Size	Minimum Inventory
WHOLE GRAIN BREAD	Whole Grain Bread	16 oz Loaf	6 Loaves
CEREAL Whole Grain	WIC Approved Cereal Brands and Types (see WIC Approved Foods List)	11-36 oz	24 Boxes - 4 Types, 2 must be Whole Grain, 2 must be in 11-14 oz size
FISH Least Expensive of type selected	Tuna	5 oz Can	18 Cans Combined
	Pink Salmon	7.5 oz or 14.75 oz	
INFANT FORMULA	Milk Based – Gerber Good Start Gentle	12.1 oz Concentrate	Milk Based - 30
	Soy Based – Gerber Good Start Soy		Soy Based - 20
	Milk Based – Gerber Good Start Gentle	12.7 oz Powder	Milk Based - 50
	Soy Based – Gerber Good Start Soy	12.9 oz Powder	Soy Based - 20
INFANT CEREAL	Dry Cereal	8 oz Box	12 Boxes - 2 Types, 1 must be Rice
INFANT FRUIT & VEGETABLES	Fruit and /or Vegetable	4 oz Jars	96 Jars Combined
INFANT MEATS	Meats in Gravy or Broth	2.5 oz Jars	31 Meats
FRUITS & VEGETABLES	Fruits	10 Pounds Combined	4 Types Fresh
	Vegetables	10 Pounds Combined	4 Types Fresh

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 signature boxes.

01-1 008	80000017		80000073	
 GEORGIA WIC PROGRAM			FIRST DAY TO USE LAST DAY TO USE VENDOR MUST DEPOSIT BY	
PAY TO THE ORDER OF ANY AUTHORIZED GEORGIA WIC VENDOR FOR THESE ITEMS / QUANTITIES ONLY -- NO SUBSTITUTIONS			GAGE 1009 PAY EXACTLY DOLLARS CENTS	
MILK: 1 gallon low-fat (fat-free, 1%, 2%) No whole milk. Least expensive brand.			FUND PACKAGE NO1 VOUCHER NO1	
EGGS: 1 dozen			SIGN HERE AT GROCERY STORE	
CEREAL: No more than 36 oz			SIGN HERE AT WIC OFFICE	
SIGN HERE AT WIC OFFICE			IMPROPER USE OF THIS VOUCHER IS SUBJECT TO STATE AND FEDERAL PROSECUTION	
SIGN HERE AT GROCERY STORE			UNITED COMMUNITY BANK 64-1968 611	
@800000739@ :061119684: 2072106621@				

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	07-01-02	
01 1 008	008	679 543	2	6	Wicperson, Jane		LAST DAY TO USE	07-31-02	
GEORGIA WIC PROGRAM						VOUCHER NO. 24612297		VENDOR MUST DEPOSIT BY	08-30-02
PAY TO THE ORDER OF ANY AUTHORIZED GEORGIA WIC VENDOR FOR THESE ITEMS / QUANTITIES ONLY -- NO SUBSTITUTIONS						PURCHASE PRICE IT EXCEEDS 17.		NOT NEGOTIABLE WITHOUT WIC VENDOR STAMP HERE	
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						PAY EXACTLY DOLLARS CENTS			
YOUR BABY NEEDS SHOTS AT 2 MONTHS, 4 MONTHS, 6 MONTHS, 15 MONTHS, & 5 YEARS						SIGN HERE AT GROCERY STORE VOID VOID VOID VOID			
IMPROPER USE OF THIS VOUCHER IS SUBJECT TO STATE AND FEDERAL PROSECUTION									
@246122973@ :061119684: 2503142@									

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 (e.g. \$6, \$7, \$8 or \$10.)
- 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.

DIST/UNIT/CLINIC 10 0 007	WIC ID NO. 007 001 834	C 6	P 2	PARTICIPANT Test Child		VOUCHER NO. 14598112	ISSUED BY EEE
United Community Bank 06:1119-684 GEORGIA WIC PROGRAM 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		FIRST DAY TO USE 10/20/2009	LAST DAY TO USE 11/20/2009
CPA FPC C21 PRODUCE:				FPC C21 VC P03		VENDOR MUST DEPOSIT WITHIN 60 DAYS OF FIRST DAY TO USE	
\$6 for fresh, frozen, or canned fruit and vegetables						PAY EXACTLY	
						DOLLARS	CENTS
No potatoes - except for sweet potatoes or yams. No products with added sugar, seasonings, fat, or oils. No creamed vegetables. No stewed or diced tomatoes.							
IMPROPER USE OF THIS VOUCHER IS SUBJECT TO STATE AND FEDERAL PROSECUTION				PARTICIPANT/GUARDIAN/PROXY SIGNATURE		rev. 7-2009	

⑈ 145981125⑈ ⑆061119684⑆ 2072106621⑈

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) on pages 26- 27 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.
- 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

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 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)

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. Check the value of the CVV. CVVs will be in \$6, \$7, \$8 or \$10 amounts.
7. Ring up price of the purchase
8. Write the price of the purchase in the "Pay Exactly" space in 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 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 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 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, Systems Information Unit at 404-657-2900 or toll free at 1-800-228-9173.

Return Food Instrument Payment Procedure

- 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 the returned food instruments along with an explanation of why they were returned to Georgia WIC, Vendor Management Unit, 2 Peachtree Street, Suite 10-476, Atlanta, Georgia, 30303, for review and payment consideration.
- Food Instrument returned by the vendor's bank stamped "stale date," "post date" "altered" or "signature missing **will not be paid.**

Redemption Assessment

Any vendor with less than \$2,000 in annual WIC redemption will be terminated from the program for a period of one year. Food Instrument redemption data on all vendors will be reviewed on a monthly basis. A vendor must remain price-competitive 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 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 additional assessments, the vendor agreement will be terminated for a period of twelve months.

USDA's Rule on 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.

By June 30 of each year, Georgia WIC will conduct an annual assessment of each current vendor to determine if they derive more than fifty percent of their food revenue from WIC food instruments. Vendors will also be assessed at re-authorization. New vendors will be assessed six months after enrollment to determine if they derive more than fifty 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. Above 50% vendors will be paid the statewide average across peer groups A through F.

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.

Changes in Store Location or Information

The vendor must provide Georgia WIC with at least twenty-one days advance written notice of any changes in location or other information including, but not limited to, the name of store and telephone number. Each store is authorized based on the ownership and street address that exists at the time of authorization, and authorization is not transferable to another location. Therefore, if a change in location is ten 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 agreement. If the change in location is less than ten 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 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.

Changes in Ownership and Cessation of Operation

The vendor must provide Georgia WIC with at least twenty-one days advance written notice of any change in ownership or cessation of business and the effective date. Georgia WIC will acknowledge the receipt of this information. Upon the effective date, the vendor authorization number will be terminated. 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

Each vendor is required to submit the shelf prices for WIC food items carried in each store. Georgia WIC collects mandatory shelf prices quarterly, but reserves the right to collect shelf prices outside of that time frame at its discretion. 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 hours of implementing the new prices. The vendor should make the changes at <https://sendss.state.ga.us/wicpricing>. 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. Collection of shelf prices is neither approval nor denial by Georgia WIC of the actual shelf prices that the vendor charges WIC participants.

PERFORMANCE COMPLIANCE

A vendor is subject to compliance performance activities. Any violations that are found may result in sanctions (See Sanction System). Compliance with Georgia WIC policies and procedures is determined using the following methods:

1. Covert (undercover) compliance investigations
2. Overt unannounced monitoring visits
3. Inventory audits
4. Research of programmatic reports and database

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:

1. Research of programmatic reports and vendor database, including but not limited to the Vendor Score section of the Vendor Profile report;
2. Vendors who have been reported for potentially violating program policies; or
3. Random selection.

Overt Monitoring

Representatives of the federal or state agencies may conduct 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. 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.

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. Vendors must retain copies of all invoices relating to the purchase of WIC food items for the three previous years plus the current year.

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. If a vendor is out of compliance because of overpricing based on a programmatic report, 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 pharmacy vendor 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.

Programmatic reports, such as the Vendor Profile report, also will be generated. If a vendor’s score causes a flag in any category, the vendor will be considered high risk and may receive a covert compliance investigation.

High Risk Identification

Georgia WIC must identify high-risk vendors at least once a year using criteria developed by the USDA or other criteria developed by Georgia WIC. Compliance investigations will be conducted on vendors identified as high-risk. Vendors found to be high-risk may receive notice indicating that they qualify as high-risk.

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 days advance written notice. Use of the vendor stamp shall be discontinued fifteen days after the date of the termination notice. Any food instruments submitted for payment after fifteen 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 foods 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 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 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 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 (see pages 4-7) in effect at the time of assessment at any time throughout the agreement period.
19. Less than \$2,000 in annual WIC redemptions or not redeeming any WIC food instruments in sixty days.
20. 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 no sooner than one 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 categories of sanctions: three categories of state agency sanctions and four 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 sanctions assessed are retained in the vendor's file for a period of one 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 on pages 37-38), 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

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 twice. Enforcement of all sanctions is required when violations have been committed.

State Agency Sanctions

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, the vendor will receive another warning for the second offense. If the **same** violation occurs a third time, the vendor will be required to complete training. If the violation occurs again after training, 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, the vendor will receive another warning for the second offense. If the **same** violation occurs a third time, 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 after receiving the first warning, 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 Management Unit Manager or submit a written request for further explanation to Georgia WIC.

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

1. Stocking one or more WIC food items outside of manufacturer's expiration date.
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. WIC redemptions in excess of SNAP redemptions.

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

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.

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

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 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 a WIC food item.
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.

Federal Mandatory Sanctions

If a pattern is required but not established for a Category IV or V violation, then one occurrence of a violation during a covert compliance investigation will be treated as a Category III sanction.

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

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

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 or collecting WIC food instruments prior to completing the WIC transaction.
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

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

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 or imprisonment for not more than five years, or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are fines of not more than \$1,000 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 per violation, or \$44,000 for multiple violations occurring during a single investigation.

CMPs must be paid within thirty days of the notice of approval. Installments may be considered up to a maximum of six 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 to the violation for which the CMP was assessed.

CMP Methodology for State Agency 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	\$1500 + 3% of redemption over \$11,000

For State agency Sanctions, the first CMP will be reduced by fifty percent if the vendor presents documented proof that they had an effective training program in place. The vendor must also submit documentation listing the names of the personnel trained and the date of training. This training date must be during the fiscal year and before the disqualification notification.

CMPs cannot exceed \$11,000 per violation or \$44,000 per investigation. If more than one violation is detected during a compliance investigation, a CMP must be imposed for each violation (up to the \$11,000/\$44,000 limits.) Only two 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 for each violation.

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 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 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 per violation. The total amount of the CMP assessed for violations that occur during a single investigation may not exceed \$44,000.

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 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;
- (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 peer group 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.

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
Vendor Management Unit
2 Peachtree Street, NW
Suite 10-476
Atlanta, Georgia 30303-3142
404-657-2900

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

In accordance with Federal law and U.S. Department of Agriculture 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, U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington D.C. 20250-9410 or call toll free (866) 632-9992 (Voice) or (202) 260-1026 (local).

TTY users can contact USDA through local relay or the Federal Relay at (800) 877-8339 (TTY) or (866) 377-8642 (relay voice users). USDA is an equal opportunity provider and employer.

GLOSSARY

Above-50 percent vendors – A vendor that derives more than fifty percent of its annual 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 months of authorization, and all vendors will be assessed annually to determine if they are an above-50% vendor.

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.

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 – Any partner, member, owner, officer, director, employee, relative by blood or marriage, heirs, or assigns.

Annual Training – A yearly mandatory training session for all vendors to receive program updates and reminders, and to ensure their understanding of program updates and reminders.

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

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.

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 has the more than one store with the same FEIN. The term does not mean that the vendor is an incorporated entity.

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 – Not another WIC authorized vendor within ten miles of another WIC authorized vendor.

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.

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

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-Corporate Vendor – A WIC authorized vendor that has only one store or a vendor with more than one store, each with a different FEIN. The term does not mean that the vendor is not an incorporated entity.

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.

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.

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)).