

# ARKANSAS WIC PROGRAM



## Vendor Participation Agreement and Handbook

September 1, 2012 – August 31, 2015

# **ARKANSAS WIC PROGRAM**

## **VENDOR PARTICIPATION AGREEMENT**

### **ADH WIC Program Non-Discrimination Statement**

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

**ARKANSAS DEPARTMENT OF HEALTH  
WIC PROGRAM  
VENDOR PARTICIPATION AGREEMENT**

**VENDOR NAME** \_\_\_\_\_ **VENDOR NUMBER** \_\_\_\_\_

This agreement is between the Arkansas Department of Health (ADH) WIC Program and the vendor named above. The terms, WIC Program or Arkansas WIC Program, will be used throughout the agreement except in cases where the Divisions or Offices within ADH are referenced for specific functions. This agreement is for the purpose of authorizing retail food stores for participation in the United States Department of Agriculture (USDA) Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The agreement becomes effective on the date the vendor is notified of authorization and expires August 31, 2015, unless revised by the Arkansas WIC Program or terminated by either party.

This vendor agreement does not constitute a license or a property interest. If the vendor wishes to continue to be authorized beyond the period of the current agreement, the vendor must reapply for authorization. If a vendor is disqualified from the Arkansas WIC Program, this agreement is terminated. The vendor will have to reapply in order to be authorized after the disqualification period is over. In all cases, the vendor's new application will be subject to the WIC Program's vendor selection criteria in effect at the time of the reapplication.

The vendor must comply with this agreement, the Arkansas WIC Program Vendor Handbook, federal and state statutes, regulations, policies, and procedures governing the WIC Program, including any changes made during this agreement period. Should any provision of this agreement conflict with federal statutes, regulations, or policy, the federal statutes, regulations, and policy shall prevail.

**SECTION I. GENERAL CONDITIONS:**

1. This agreement, the Arkansas WIC Vendor Handbook, Arkansas WIC Approved Food List, and other correspondence, embody the whole agreement of the parties and shall supersede all previous communications, representations, or agreements, whether verbal or written, between the parties hereto.
2. Definitions of terms used in this agreement can be found in the Arkansas WIC Vendor Handbook and apply equally to this agreement and the handbook.
3. Either party may terminate this agreement for cause.
4. This agreement will immediately terminate if the Arkansas WIC Program determines that the vendor has provided false information in connection with its application for authorization. (see WIC Vendor Application Process, Appendix B)

5. The WIC Program and WIC authorized vendors will avoid all conflicts of interest. This agreement will be terminated if the WIC Program identifies any conflict of interest. This will include but is not limited to:
  - Vendors will not employ any ADH employee with any responsibility for the WIC Program at local, regional or state clinics and/or offices.
  - The ADH will not employ a vendor or a vendor's father, mother, sister, brother, spouse, child, grandparents, cousins, aunts, uncles and in-laws in a capacity with responsibility for the WIC Program at local, regional, or state clinics and/or offices.
  - Vendors, vendor applicants, or vendor representatives will not accept from nor offer any ADH employee with responsibility for the WIC Program any gifts, favors or privileges.
  - The ADH WIC Program will not accept from nor offer any authorized vendor, vendor applicant, or vendor representative any gifts, favors, or privileges.
6. The Arkansas WIC Program has no obligation to renew this agreement at expiration. Vendors whose agreements will not be renewed shall be notified in writing prior to the termination date of this agreement. The WIC Program may revise, amend, or replace this agreement prior to its termination date. The WIC Program will give vendors a minimum of 30 calendar days (from receipt by certified mail) to review, sign, and return any material revision to this agreement unless state or federal law, regulations, or policy require more immediate revision(s). Any agreements/amendments not returned by the specified due date shall nullify the agreement.
7. The WIC Program uses: statistical and financial analysis; random sampling; sales, inventory, and invoice records and/or audits; discrepancies in WIC Checks or Cash Value Benefits (CVBs) and/or documentation submitted appealing nonpayment; information from WIC participants or other sources; and visits to the vendor for the purpose of determining compliance with this agreement and WIC Program directives.
8. The vendor shall comply with selection criteria throughout the agreement period including any updated criteria. The WIC Program may reassess the vendor at any time during the agreement period using the selection criteria in effect at the time of the reassessment. Vendors shall be terminated if during the period of the agreement, the selection criteria are not being met. Selection of vendors for the Arkansas WIC Program is based on but not limited to the following criteria:
  - a. Competitive prices and price limitations: Vendors with a WIC Check at or below 110% of the average price for the check type for their peer group meet this requirement. Vendors that do not meet the current competitive shelf price or redemption history criteria are informed and given one chance to lower their shelf prices to meet the competitive price selection criteria. Vendors that do not meet either the shelf price or redemption history criteria and do not lower their shelf prices to meet the criteria are denied authorization unless denying authorization of the vendor would create a hardship for participants. Vendors will be paid only up to the Maximum Allowable Reimbursement (112% of the average price for the check type for their peer group) for

checks that are at or exceed that amount. The MAR is intended to cover very brief price spikes and should not be the level at which vendors set their prices.

- b. Minimum variety and quantity of WIC supplemental foods: The minimum stock requirements are listed in Appendix A of the Vendor Handbook for each category and type of WIC approved food. This stock must be in the store at the time of the visit by WIC Program personnel. Expired or damaged food may not be used in the calculation of minimum stock. Waivers for exceptions to minimum stock requirements must be requested in writing with a justification for the request.
- c. Business integrity: Lack of business integrity on the part of the owner(s), officer(s), or manager(s) of a store will result in denial of a vendor's authorization. The Arkansas WIC Program cannot authorize a vendor applicant if during the last six years the vendor applicant or any of the vendor applicant's current owners, officers, or managers has been convicted or had a civil judgment entered against them for any activity indicating a lack of business integrity. Activities indicating a lack of business integrity include, but are not limited to, trafficking in WIC Checks or CVBs or Supplemental Nutrition Assistance Program (SNAP) benefits in any state, exchange of WIC Checks or CVBs or SNAP benefits for alcohol, tobacco, firearms, ammunition, explosives, or controlled substances, fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, and obstruction of justice. Failure to pay Arkansas state sales tax and redeeming WIC Checks/CVBs prior to receiving authorization will also be considered lack of business integrity.
- d. Supplemental Nutrition Assistance Program (SNAP) disqualification: A vendor or vendor applicant that is currently disqualified from the SNAP or has been assessed a SNAP civil money penalty for hardship may not be authorized. If, at the time of authorization, the disqualification period that has been imposed or would have been imposed has not expired, the WIC Program cannot authorize the vendor.
- e. Sale of store to circumvent a WIC sanction: A store that has been sold by a previous owner(s) in an attempt to circumvent a WIC sanction shall not be authorized. Circumstances could include, but are not limited to, selling a store to a relative by blood or marriage or to any individual or organization for less than its fair market value.
- f. Purchase of infant formula: A vendor must purchase infant formula only from wholesalers, distributors, manufacturers, or retailers from the list provided by the Arkansas WIC Program. A list of the wholesalers, distributors, manufacturers, or retailers will be available on the WIC Program website or at vendor request.
- g. Misuse of WIC acronym or logo: Vendors shall only use the WIC acronym and logo in materials provided by or as specified by the Arkansas WIC Program. No reproductions are permitted. The Arkansas WIC Program will not authorize a vendor that uses the "WIC" acronym or logo except as permitted by the WIC Program. The "WIC" acronym and logo are registered and trademarked by the U.S. Department of Agriculture (USDA).

Authority to regulate the use of the acronym “WIC” and the WIC logo are provided in 42 U.S.C. 1051 et seq., and 7 CFR 246. A WIC vendor is not permitted, without specific Federal or State Agency authorization, to use either the acronym “WIC” or the WIC logo, including close facsimiles thereof, in total or in part, in either the official name in which the vendor is registered or the name under which it does business, if different, on product labels or packages, store signs, pamphlets, advertisements, brochures or any other proprietary materials.

- h. Disqualification from another state WIC Program: A vendor’s store will not be authorized by the Arkansas WIC Program if the store is currently disqualified by another state’s WIC Program for a mandatory federal sanction.
- i. Incentive items or service given to WIC participants: A WIC authorized vendor may not treat WIC customers differently by offering incentive items or services that are not offered to non-WIC customers. Doing so is a violation of federal regulations.
- j. Above-50-percent Vendors: The Arkansas WIC Program will not approve new applicants whose expected WIC sales will be above 50-percent of their expected total food sales or current vendors seeking reauthorization whose actual WIC sales were above 50-percent of their total food sales at any time during the previous calendar year. WIC, SNAP and total food sales figures will be collected annually from current vendors. Current vendors found to have WIC sales above the 50-percent criterion during the agreement period will have three months from the date of notice of their above 50-percent status to adjust their sales to come into compliance or withdraw from the program.
- k. Electronic Benefit Transfer (EBT) Smart Card Readiness: Effective January 1, 2014, all vendors applying for authorization must demonstrate the capability to accept WIC Program benefits electronically prior to authorization to participate in the WIC Program. The applicant may demonstrate this capability by using its own multifunctional equipment or through use of a separate system that transactions only WIC EBT smart card redemptions.

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

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

## **SECTION II. THE VENDOR SHALL:**

1. Accept WIC Checks and/or CVBs only from authorized WIC participants, authorized representatives, and/or proxies whose name(s) and signature(s) appear on the front of the yellow WIC Participant Identification Folder (ID Folder). The vendor will compare the name(s) and signatures on each WIC Check/CVB with the ID Folder at each transaction. The signature on the WIC Check/CVB must be on the signature line on the front of the check in the lower right-hand corner and match the signature on the ID Folder of one of the persons authorized to sign WIC Checks or CVBs.
2. Provide all and only the types and quantities of food listed on the WIC Check or CVB to the WIC participant and/or Authorized Representative/proxy. No unauthorized food items, non-food items, cash, or credit (including rain checks) will be provided in exchange for WIC Checks or CVBs. The vendor will not provide refunds. The vendor must permit exchanges for authorized food items a WIC participant is exchanging only if the food item is defective, spoiled, or has exceeded its “sell by”, “best if used by”, or other date limiting the sale. In these cases, the food must be replaced with an identical authorized food item (the exact size and brand as the original authorized WIC food item). Exception: Recalled food items will be exchanged in accordance with manufacturer instructions.
3. Transact all WIC Checks and CVBs for authorized foods on the premises of the store authorized by this agreement. The vendor shall not accept and deposit WIC Checks or CVBs from another store or any individual not authorized to purchase the WIC approved foods for the participant(s) listed on the WIC Check or CVB.
4. Redeem WIC Checks and CVBs only if all food items listed on the WIC Check or CVB are available in the store.
5. Accept and process for payment by the Arkansas WIC Program only WIC Checks or CVBs issued by the Arkansas WIC Program. The Arkansas WIC Program will not pay checks issued by other states, territories or Indian Tribal Organizations (ITOs).
6. Offer WIC participants, authorized representatives, and/or proxies the same courtesies offered to other customers.
7. Accept WIC Checks and CVBs only on or between the “First Day to Use” (Issue Date) and “Last Day to Use” (Expiration Date) dates.
8. Review each WIC Check or CVB to make sure that the WIC participant, authorized representative, and/or proxy has selected the correct foods, sizes, quantities, and brands specified on the WIC Check or CVB and/or listed on the current Arkansas WIC Approved Food List. The vendor shall maintain a current food list at each register.
9. Treat each WIC Check as a separate transaction. Do not include foods from more than one WIC Check in one transaction.

10. Allow participants in one household to combine two or more Cash Value Benefits (CVBs) in the same transaction. The yellow WIC ID Folder lists all participants in the same household.
11. Enter the amount of sale for the WIC authorized foods in blue or black ink **before** the WIC Check or CVB is signed by the authorized representative or proxy.
12. Ensure that the authorized representative or proxy signs on the signature line in the lower right-hand corner on the front of the WIC Check/CVB in blue or black ink in the presence of the cashier at the time of the purchase and after the amount of sale has been entered. If the authorized representative or proxy is unable to write, a mark must be made and a witness must sign under the mark.
13. Not issue change to an authorized representative/proxy for purchases less than the total value of the CVB. If the total amount of the transaction for which the WIC participant uses CVB(s) exceeds the monetary value of the CVB(s), the authorized representative/proxy may use another form of tender to pay the excess amount due to the vendor, including any applicable taxes.
14. Not charge sales tax to the WIC Program or WIC participants, authorized representatives, and proxies on the sale of authorized WIC foods obtained with WIC Checks or Cash Value Benefits (CVBs). Vendors may collect any applicable state, county or local tax only on the amount of the purchase above the monetary value of the CVB when purchasing fresh or frozen fruits and vegetables. WIC participants, authorized representatives, and proxies are responsible for payment of all applicable taxes on amounts charged above the monetary limit of the CVB(s).
15. Comply with the procedures outlined in the Vendor Handbook for processing WIC Checks and CVBs.
16. Pay all claims assessed by the WIC Program, including claims assessed for exceeding the MAR amount applicable to the vendor. The WIC Program may deny or delay payment or establish a claim in the amount of the full purchase price of each WIC Check or CVB that contained an overcharge or other error. An opportunity to justify or correct the overcharge or other error will be given to the vendor. In addition to denying payment or assessing a claim, the WIC Program may sanction the vendor for overcharges or other errors in accordance with the Violations and Sanctions section of this agreement.
17. Not charge WIC participant, authorized representative, and/or alternate representative/proxy for authorized foods obtained with WIC Checks or CVBs, or seek restitution for WIC Checks or CVBs not paid, partially paid, or subject to claims by the WIC Program.
18. Participate annually in training provided by the Arkansas WIC Program or the vendor's WIC training office. Annual training may include but is not limited to off-site group training, on-site training, newsletters, program memos, instructional videos, on-line training courses, website posts and educational visits.

19. Be responsible for providing and documenting training of all employees (managers, cashiers, bookkeepers, etc.) on Arkansas WIC Program policies and procedures. Documentation of the training, indicating store location, must be submitted to the WIC Program.
20. Promptly accept and respond to all certified mail received from the WIC Program immediately upon presentation by the U.S. Postal Service.
21. Be held accountable for the actions of all vendor owners, officers, managers, agents and employees who commit violations of this agreement.
22. Have in place an effective policy and program to prevent trafficking. The exchange of WIC Checks or CVBs for cash is illegal.
23. Cooperate with monitoring by the WIC Program for compliance with the terms of this agreement.
24. Maintain all WIC related sales and/or inventory records and invoices of purchases for all WIC foods (refer to Arkansas WIC Program Approved Food List) used for federal tax reporting purposes and other records the WIC Program may require. The records must be maintained for the current business year and two prior years or for any period of time specified in an ongoing investigation. Upon request, the vendor must make available to representatives of the Arkansas WIC Program, the United States Department of Agriculture, and the Comptroller General of the United States, at any reasonable time and place for inspection and audit, all WIC Checks and CVBs in the vendor's possession and all WIC Program-related records.
25. Maintain records of the purchase, inventory and sale of all food items that qualify for the SNAP. One year from the initial date of this agreement, the vendor must be able to document the actual dollar amount of the sale of all foods that qualify for the SNAP, including WIC foods. Foods that qualify for the SNAP may be found in "Foods to Include in Total Food Sales Calculations", Appendix C or at: <http://www.fns.usda.gov/snap/retailers/eligible.htm>
26. Provide only correct, complete, and accurate information on the WIC Vendor Application.
27. Notify the Arkansas WIC Program in writing fifteen (15) days in advance of any plans to change the store name, cease operation, change ownership, change location of store or voluntarily withdraw. This agreement is terminated upon change of ownership, change in location (unless in same township), or cessation of operation for more than 90 days. No portion of this agreement may be assigned. The vendor will return the vendor stamps to the Arkansas WIC Program within 15 days of change in location, store closing or change of ownership.
28. Understand that in addition to nonpayment of redeemed WIC Checks, CVBs or claims, the WIC Program may also impose administrative fines, disqualification and civil money

penalties in lieu of disqualification for violations listed in the Violations and Sanctions portion of this agreement.

29. Not commit fraud or abuse of the WIC Program. A vendor who commits fraud or abuse of the WIC Program is liable to prosecution under applicable federal, state, or local laws.
30. Provide the WIC Program the benefit of all sale prices on each food item. This includes advertised prices, store specials, discounts from manufacturer or store coupons and the price available to holders of vendor-issued value/loyalty cards or any other special promotion available to non-WIC customers. Charges above these prices will be considered overcharges. Vendors may not require WIC participants, authorized representatives or proxies to have or use customer loyalty cards.
31. Understand that disqualification from the WIC Program will result in notification and possible reciprocal disqualification from the Supplemental Nutrition Assistance Program (SNAP). Such disqualification may not be subject to administrative or judicial review under the SNAP.
32. Understand that disqualification from SNAP may result in disqualification from the WIC Program. The disqualification will be for the same length of time as the SNAP disqualification, may begin at a later date than the SNAP disqualification, and is not subject to administrative or judicial review under the WIC Program.
33. Maintain the minimum stock requirements for WIC approved foods as listed in Appendix A of the WIC Vendor Participation Agreement and Handbook throughout the period of this agreement. Waivers of minimum stock requirements for fresh fruits and vegetables (purchased with CVBs) will not be granted. Waivers of minimum stock requirements for other WIC approved food must be requested in writing and approved by the WIC Program.
34. Clearly mark all WIC approved food items with an individual price or a price list affixed to the store shelf, freezer, refrigerator, etc. These prices must be clearly visible to the customer.
35. Mark all Arkansas WIC approved food items (except fresh and frozen vegetables and fruits) with red shelf tags supplied by the Arkansas WIC Program. For food categories that require purchase of the least expensive brand at time of purchase, the vendor shall mark only the appropriate products. No corporate or food company-produced tags allowed.
36. Not misuse the WIC acronym or logo. See Section I, 8g.  
NOTE: The phrase which follows may be used in newspaper or newspaper-related advertisements. It may be used one time per advertisement on the last line of the advertisement. The font may not exceed 14 point and may be in caps and in bold.

**This store is authorized by the Arkansas WIC Program.**

37. Allow the WIC Program access to all necessary sales, inventory, and/or invoice records to determine if a vendor receives more than 50% of their annual total food sales revenue from the sale of WIC foods obtained with WIC Checks. Vendors who fail to allow the WIC Program access to these records will be terminated.
38. Post hours of store operation and the “Arkansas WIC Authorized Vendor” sign(s) issued by the WIC Program in a visible location on or near the entrance(s) to the store.
39. Allow WIC representatives access to the store during posted business hours for purposes of vendor education and monitoring, including review of sales, collecting shelf prices, inventory and/or invoice records.
40. As requested, submit complete and accurate shelf prices surveys by the deadline provided by the WIC Program.

### **SECTION III. THE ARKANSAS WIC PROGRAM SHALL:**

1. Provide guidance to the vendor concerning WIC approved foods and applicable guidelines, instructions, and updates of any WIC Program changes.
2. Accept and review vendor applications to participate in the Arkansas WIC Program throughout the year. If the WIC Program is in the process of reauthorizing existing vendors, the review of applications of new vendors may be delayed to start with the new authorization period unless the WIC Program determines the new vendor applicant is in an area where there is inadequate participant access to supplemental foods.
3. Provide the vendor payment for WIC Checks and CVBs properly redeemed and submitted for payment according to the procedures contained in the Vendor Handbook.
4. Limit payments to vendors to the Maximum Allowable Reimbursement (MAR) based on the vendors' current peer group averages.
5. Notify local, state or federal authorities if it appears that fraud or theft has occurred in any WIC transaction.
6. Notify the USDA, Food and Nutrition Service, SNAP of all vendor sanctions, suspensions, and/or terminations.
7. Disqualify vendors from the WIC Program who are currently disqualified for cause from another Food and Nutrition Service Program (i.e., SNAP).
8. Provide training for vendors annually during the contract period, at the time of reauthorization and upon request of the vendor.
9. Collect shelf prices on WIC approved foods from all vendors at least three times annually and prior to authorization and reauthorization.
10. Inform vendors of their peer group assignment.
11. Post peer group averages on the Arkansas Department of Health WIC Program website <http://www.healthy.arkansas.gov/programsServices/WIC/Pages/default.aspx> and/or provide vendors with paper copies of the information.
12. Process for payment WIC Checks/ CVBs issued by the Arkansas WIC Program. The Arkansas WIC Program will not pay checks issued by other states, territories or Indian Tribal Organizations (ITOs).
13. Immediately terminate the vendor's agreement if it determines that the vendor has provided false information on the WIC Vendor Application.

14. Monitor WIC vendors for compliance with program rules and regulations. Methods of monitoring include, but are not limited to the following:
  - a. Review of redeemed WIC Checks and CVBs and analysis of WIC Check and CVB data to detect pricing abnormalities and billing irregularities.
  - b. Compliance purchases.
  - c. Announced or unannounced store visits by WIC Program representatives.
  - d. Review of records of WIC Check/CVB transactions, food sales, inventory records and vendor invoices of food purchases. Records of WIC Check/CVB transactions include but are not limited to data on WIC Checks/CVBs in the WIC computer system or WIC contract bank, WIC Checks/CVBs not yet deposited and/or original dated cash register receipts or calculator tapes.
  - e. Review of WIC Checks and CVBs sent to the WIC Program for appeal of non-payment.
  - f. Communication with the SNAP regarding the vendor's current status.
15. Monitor for compliance any vendor that consistently redeems WIC Checks at or near their maximum allowable reimbursement amount.
16. Assess claims against a vendor for amounts paid above the MAR amount, for overcharges, or for any WIC Checks or CVBs improperly paid.
17. Monitor all new vendors to determine if the vendor receives more than 50% of their food sales revenue from the sale of WIC approved food obtained with WIC Checks.
18. Annually reassess above-50-percent vendor status by collecting sales data, reassign to the appropriate peer group, establish competitive price and MAR levels, and/or terminate the vendor participation agreement if necessary.
19. For violations requiring a pattern, notify a vendor of any violations found during the course of an investigation and prior to continuing the investigation, if more than one incidence of this violation would result in a vendor sanction. If the WIC Program determines that notifying the vendor of the violation would compromise continuing the investigation, notification will not occur.
20. Give vendors notice of changes to federal or state statutes, regulations, policies, or procedures governing the WIC Program before changes are implemented.

## SECTION IV. VIOLATIONS AND SANCTIONS

A vendor who commits fraud or abuse in the WIC Program is liable to prosecution under applicable federal, state and local laws. 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 a fine of not more than \$1,000 or imprisonment for not more than one year or both.

The following is the list of violations and sanctions that will be applied to vendors. In applying the sanctions listed, the WIC Program is under no obligation to determine a vendor's intent. The sanctions may be applied equally for error, ignorance or willful intent. The WIC Program will determine the impact of a potential vendor disqualification upon participant access to WIC Program benefits. A vendor may not withdraw from the WIC Program in order to avoid a sanction. Non-renewal of a vendor's agreement may not be used as an alternative to disqualification. Sanctions may include a claim for the value of WIC Checks and CVBs as well as administrative fines, disqualification and/or civil money penalties.

After disqualification for any length of time, a vendor must reapply and meet all WIC Program selection criteria before being readmitted to the Arkansas WIC Program. A vendor may not reapply during the disqualification period.

**NOTICE: Disqualification from WIC for violations 1 through 9 listed under Mandatory Federal Sanctions may result in disqualification as a retailer in the Supplemental Nutrition Assistance Program (SNAP). Such disqualification may not be subject to administrative or judicial review under the Supplemental Nutrition Assistance Program.**

**Second sanction: The second sanction received by a vendor for any violation listed in 2 through 9 under Mandatory Federal Sanctions will result in doubling the sanction for the second violation. The second violation and sanction may be different from the previous violation and sanction. Civil money penalties may only be doubled up to the limit of \$11,000 per violation or \$49,000 per investigation.**

**Third or subsequent sanction: The third or subsequent sanction received by a vendor for any violation in 2 through 9 under Mandatory Federal Sanctions will result in doubling the third sanction and all subsequent sanctions. The third or subsequent violation and sanction may be different from any previous violation and sanction. A civil money penalty may not be imposed in lieu of disqualification for the third and subsequent sanctions.**

**Failure to pay Civil Money Penalty: Disqualification for the mandatory time period related to the violation.**

### **Mandatory Federal Sanctions**

1. Vendor is convicted in court for the crime of trafficking in WIC Checks or CVBs or for selling firearms, ammunition, explosives, or controlled substances in exchange for WIC Checks or CVBs.  
**Sanction: Permanent disqualification effective upon receipt of notification OR the WIC Program may impose a Civil Money Penalty in lieu of a disqualification for Violation 1 when it determines, in its sole discretion, and documents that a) the disqualification of the vendor would result in inadequate participant access; or b) the vendor had, at the time of the violation, an effective policy and program in effect to prevent trafficking and the ownership of the vendor was not aware of, did not approve of, and was not involved in the conduct of the violation. Civil money penalties shall not exceed \$11,000 for each violation and shall not exceed \$49,000 for a single investigation.**
2. First instance of a vendor buying or selling WIC Checks or CVBs for cash (trafficking) or first instance of selling firearms, ammunition, explosives, or controlled substances in exchange for WIC Checks or CVBs.  
**Sanction: Six (6) year disqualification with 15-day notice.**
3. Vendor has one incidence of the sale of alcohol or alcoholic beverages or tobacco products in exchange for WIC Checks or CVBs.  
**Sanction: Three (3) year disqualification with 15-day notice.**
4. Vendor claims reimbursement for the sale of an amount of a specific WIC food item that exceeds the store's documented inventory of that WIC food item for a specific period of time.  
**Sanction: Three (3) year disqualification based on one inventory audit of one month's inventory of two or more WIC foods or two or more months' inventory of one WIC food.**
5. Vendor engages in a pattern of overcharging the WIC Program.  
**Sanction: Three (3) year disqualification for three documented incidents within a period of three (3) years.**
6. Vendor receives, transacts and/or redeems WIC Checks or CVBs outside authorized channels, including an unauthorized vendor or an unauthorized person.  
**Sanction: Three (3) year disqualification for three documented incidents within a period of three (3) years.**
7. Vendor charges WIC Program for food not received by the participant and/or authorized representative.  
**Sanction: Three (3) year disqualification for three documented incidents within a period of three (3) years.**

8. Vendor provides credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances in exchange for WIC Checks or CVBs.  
**Sanction: Three (3) year disqualification for three documented incidents within a period of three (3) years.**
9. Vendor provides unauthorized foods in exchange for WIC Checks or CVBs and/or charges for food in excess of that listed on the WIC Check or CVB.  
**Sanction: One (1) year disqualification for three documented incidents within a period of three (3) years.**
10. Vendor is disqualified from the Supplemental Nutrition Assistance Program (SNAP).  
**Sanction: Disqualification for the same length of time as the Supplemental Nutrition Assistance Program disqualification. The WIC disqualification may begin at a later date than the Supplemental Nutrition Assistance Program disqualification and is not subject to administrative or judicial review under the WIC Program.**

#### **Arkansas WIC Program Sanctions**

*Sanction points for violations 12 – 23 will accumulate for a period of three (3) years. A total of twelve (12) sanction points, from any combination of violations, will result in disqualification for a period of six (6) months. A total of twenty (20) sanction points, from any combination of violations, will result in disqualification for a period of one (1) year.*

11. Vendor is disqualified from another state's WIC Program based on a mandatory federal sanction.  
**Sanction: Disqualification from the Arkansas WIC Program for the same amount of time as the other state's period of disqualification. The disqualification may begin at a later date than the sanction imposed by the other WIC State agency. The State agency must determine if disqualification of the vendor would result in inadequate participant access.**
12. Vendor fails to provide all food on the WIC Check when the foods are available in the store even if the total price exceeds the maximum allowable reimbursement amount for the WIC Check or refuses to allow the purchase of a WIC approved food.  
**Sanction: A warning letter is issued to the vendor for the first documented incident. At least thirty (30) days after receipt of the warning letter any additional documented incidents will result in the assessment of the value of WIC Check/CVB and two (2) sanction points.**
13. Vendor fails to enter price before WIC Check or CVB is signed during a compliance buy.  
**Sanction: A warning letter is issued to the vendor for the first documented incident. At least thirty (30) days after receipt of the warning letter any additional documented incidents will result in a claim for the value of each WIC Check or CVB, a fine of \$100, and two (2) sanction points.**

14. Vendor fails to verify signature on WIC Check or CVB by comparing signature to WIC identification folder during a compliance buy.  
**Sanction: A warning letter is issued to the vendor for the first documented incident. At least thirty (30) days after receipt of the warning letter any additional documented incidents will result in two (2) sanction points.**
15. Vendor alters any information written or printed by WIC personnel on a WIC Check or CVB, or alters/manufactures supporting documentation (such as cash register receipts) in an attempt to receive payment for the WIC Check or CVB.  
**Sanction: A warning letter is issued to the vendor for the first documented incident. A claim for the purchase amount of any WIC Check or CVB paid and six (6) sanction points for each incident after the first warning letter is received by the vendor.**
16. Vendor charges participant, authorized representative, or proxy for any portion of a WIC Check transaction. (Note: Participants are allowed to pay amount, including tax, over monetary value of CVB(s) on CVB transactions. See Section II, #13)  
**Sanction: A warning letter is issued to the vendor for the first documented incident. For each documented incident after the first warning letter is received by the vendor, a fine of \$100 and three (3) sanction points will be assessed for each subsequent violation.**
17. Vendor fails to provide WIC representative(s) access to the store during posted business hours for vendor education or monitoring, including access to sales, invoice, or inventory records during a routine store visit.  
**Sanction: A warning letter is issued to the vendor for the first documented incident. Six (6) sanction points for each subsequent incident after receipt of initial warning letter.**
18. Vendor fails to maintain prices at or below the competitive price selection criteria standards or the WIC Program is unable to determine shelf prices because vendor has not posted them clearly.  
**Sanction: Initial violation will result in a warning letter giving the vendor the opportunity to make adjustments in prices or post prices within the timeframe specified in the letter. Each subsequent violation after a 30-day period will result in three (3) sanction points.**
19. Vendor fails to pay a claim for exceeding the maximum allowable reimbursement (MAR) amount, for a WIC Check or CVB improperly paid, or for any sanction imposed due to a federal or state violation.  
**Sanction: After the initial 30 days to pay the claim, the Vendor will be sent a warning letter and be given an additional 30 days to pay claim. If the payment is not received, a second warning letter will be sent and another 30 days allowed for payment. If payment is not received 30 days after the second warning letter, twelve (12) sanction points will be assessed, resulting in a six (6) month disqualification.**

20. Vendor fails to maintain minimum stock as listed in Appendix A of the Vendor Participation Agreement and Handbook or as specified in a written waiver approved by the WIC Program, during a monitoring visit or compliance buy.

**Sanction: For the first violation, a warning letter will be issued to the vendor. For the next (2<sup>nd</sup>) violation after a 30-day period from the receipt of the warning letter, two (2) sanction points will be assessed and vendor must participate in mandatory training. For the next (3<sup>rd</sup>) violation after a 15-day period from the 2<sup>nd</sup> violation, the vendor will be assessed three (3) sanction points and a \$100 fine. The next (4<sup>th</sup>) violation after a 15-day period from the 3<sup>rd</sup> violation, eight (8) sanction points will be assessed. An unannounced monitoring visit will be made after the specified period following each violation. Vendors that have no minimum stock violations in a 12-month period after a satisfactory monitoring visit will, at that point, start the process over again with any new incident. However, the sanction points earned will remain for a period of three (3) years.**

21. Vendor uses the WIC acronym or logo, including close facsimiles thereof, in total or in part, either in the official name in which the vendor is registered or the name under which it does business, if different, on incentive items, on product labels or packages, store signs, pamphlets, advertisements, brochures or any other proprietary materials.

**Sanction: A warning letter is issued to the vendor for the first documented incident. Two (2) sanction points will be assessed if the vendor fails to remove the acronym or logo within the timeframe specified in the initial warning letter.**

22. Vendor fails to submit a complete and accurate shelf price survey by the deadline established by the Arkansas WIC Program.

**Sanction: A warning letter is issued to the vendor for the first documented incident. Mandatory training is required for the second documented incident. One (1) sanction point will be assessed for all following incidents.**

23. Vendor fails to maintain correct placement of Arkansas WIC Program approved tags on Arkansas WIC approved items (8 or more missing tags in each of 2 or more food item sections).

**Sanction: A warning letter is issued to the vendor for the first documented incident. Mandatory training is required for the second documented incident. One (1) sanction point will be assessed for the third and subsequent incidents. Vendors that have no Sanction 23 violations in a 12-month period will, at that point, start the process over again with any new incident. However, the sanction points earned will remain for a period of three (3) years.**

24. Vendor offers incentive item or service to a WIC participant, authorized representative or proxy that is not offered to non-WIC customers.

**Sanction: A warning letter is issued to the vendor for the first documented incident. Twelve sanction points (12) will be issued for the second documented incident.**

## **SECTION V. ADMINISTRATIVE REVIEWS**

1. Vendors may request an administrative review of Arkansas WIC Program decisions, except as noted in number 4 below, regarding denial of authorization to participate, termination of an agreement for cause, disqualification or imposition of a fine or a civil money penalty.
2. Full administrative reviews will consist of a hearing before an impartial official. Full administrative reviews will be conducted for the following types of adverse actions:
  - Denial of authorization based on the following selection criteria:
    - Competitive prices
    - Minimum variety and quantities of Arkansas WIC Program approved foods
    - Sale of a store to circumvent a WIC Program sanction
  - Termination of an agreement for cause.
  - Disqualification, except for a disqualification based on a trafficking conviction, disqualification or civil money penalty from the Supplemental Nutrition Assistance Program (SNAP) or disqualification from another state's WIC Program for a mandatory federal sanction.
  - Imposition of a fine or civil money penalty in lieu of a disqualification.
  - Imposition of a civil money penalty for hardship.
3. Abbreviated administrative reviews are based on written documentation and other materials submitted to an impartial official by the Arkansas WIC Program and the vendor and/or the vendor's representative. Abbreviated reviews do not include a hearing. Abbreviated administrative reviews will be conducted for the following types of adverse actions:
  - Denial of authorization based on the following selection criteria:
    - Business integrity
    - Supplemental Nutrition Assistance Program disqualification
    - Supplemental Nutrition Assistance Program civil money penalty
    - Purchases of infant formula from source(s) other than those on the list provided by the WIC Program
    - Misuse of the WIC acronym or logo
    - Providing incentive items to WIC participants
    - New vendor expected to have more than 50% of its total annual food sales from WIC approved foods obtained with WIC Checks and/or CVBs
  - Denial of authorization because a vendor submitted its application outside the timeframes established by the Arkansas WIC Program.
  - Termination of an agreement because of a change in ownership, change of location, or cessation of operations.

- Disqualification based on:
    - A trafficking conviction
    - A disqualification from another State's WIC Program for a federal mandatory sanction
    - Civil money penalty from another State WIC Program in lieu of disqualification for a federal mandatory sanction
4. The Arkansas WIC Program **will not** provide administrative reviews for the following actions: [WIC Regulations 7CFR 246.18(a)(1)(iii)]
- The validity or appropriateness of the WIC Program's vendor limiting or selection criteria
  - The validity or appropriateness of the WIC Program's vendor peer group criteria and the criteria used to identify vendors that are above-50-percent vendors or vendors comparable to above-50-percent vendors
  - The validity or appropriateness of the WIC Program's participant access criteria and participant access determination
  - WIC Program's determination to include or exclude an infant formula manufacturer, wholesaler, distributor or retailer from the list required, pursuant to 7CFR 246.12(g)(11).
  - The validity or appropriateness of the WIC Program's prohibition of incentive items and the WIC Program's denial of an above-50-percent vendor's request to provide an incentive item to customers pursuant to 246.12(h)(8)
  - The WIC Program'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 7CFR 246.12(I)(3).
  - The WIC Program'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 7CFR 246.12(I)(1)(i)(B)
  - The expiration of a vendor's agreement
  - Disputes regarding WIC Check or CVB payments and vendor claims
  - Disqualification of an authorized vendor as a result of disqualification from the Supplemental Nutrition Assistance Program (SNAP)
5. Procedures for a full administrative review
- Notification: The Arkansas WIC Program will notify the vendor in writing of:
    - The adverse action
    - The reason for the adverse action
    - The procedures to follow to request a full administrative review
    - The effective date of the action
    - The following statement if the reason for the adverse action is a federal mandatory sanction listed in Section IV of this agreement:

“This disqualification from WIC may result in disqualification as a retailer in the Supplemental Nutrition Assistance Program. Such disqualification is not subject to administrative or judicial review under the Supplemental Nutrition Assistance Program.”

- o Any request for an administrative review must be made within 15 days of receipt of the notification.
- A request for a full administrative review must be made in writing within 15 calendar days of the vendor’s receipt of notification of the impending adverse action via certified mail. The request must be sent to the Arkansas WIC Program, 5800 W. 10<sup>th</sup> Street, Suite 810, Little Rock, AR 72204.
- The date, time and place for a full administrative review will be set by the WIC Program and will allow the vendor sufficient time to prepare for the review. The review may be rescheduled one time at the request of the vendor.
- A vendor may have representation at the administrative review.
- A vendor will have access to evidence gathered by the WIC Program upon which the adverse action is based and may examine the evidence prior to the review.
- A vendor or his representative may cross-examine witnesses and/or present testimony at the administrative review.
- WIC Program investigators may be concealed from the view of the vendor and/or his representative.

#### 6. Procedures for an abbreviated administrative review

- Notification: The Arkansas WIC Program will notify the vendor in writing of:
  - o The adverse action
  - o The reason for the adverse action
  - o The procedures to follow to request an abbreviated administrative review
  - o The effective date of the action
  - o The following statement if the reason for the adverse action is a federal mandatory sanction listed in Section IV of this agreement:

“This disqualification from WIC may result in disqualification as a retailer in the Supplemental Nutrition Assistance Program. Such disqualification is not subject to administrative or judicial review under the Supplemental Nutrition Assistance Program.”

- o Any request for an administrative review must be made within 15 days of receipt of the notification.

- A request for an abbreviated administrative review must be made in writing within 15 calendar days of the vendor's receipt of notification of the impending adverse action. The request must be sent to the Arkansas WIC Program, 5800 W. 10<sup>th</sup> Street, Suite 810, Little Rock, AR 72204.
- The name and title of the official and address to send the vendor's written grounds for appeal and the documentation supporting the appeal will be sent to the vendor within 15 days of the receipt of the request for an abbreviated administrative review.
- The date all materials must be submitted to the review official will be set by the WIC Program and the review official. The vendor may request one extension of this date.
- A vendor will have access to evidence gathered by the WIC Program upon which the adverse action is based and may examine the evidence prior to submitting the written materials for consideration by the review official.

7. The decision of the review official:

- The decision of the official of the full or abbreviated administrative review will be based solely on whether the WIC Program has correctly applied federal and state statutes, regulations, policies and procedures governing the WIC Program, according to evidence presented in the review.
- Written notification of the review decision, including the basis for the decision, will be sent to the vendor within 90 days from the vendor's request for the review. The decision of the review official will be final.

8. Effective dates of adverse actions:

- For denial of authorization or disqualification for a conviction for trafficking in WIC Checks or CVBs or selling firearms, ammunition, explosives, or controlled substances in exchange for WIC Checks or CVBs, the effective date for denial of authorization or disqualification will be no later than the date the vendor receives the notice of adverse action.
- For other WIC Program actions the vendor may appeal, the effective date of the adverse action will be 15 calendar days from the date of the vendor's notification, or if the vendor appeals, no later than the date the vendor receives notification of the administrative review decision.
- For disqualification from the WIC Program as a result of a Supplemental Nutrition Assistance Program disqualification, 15 calendar days from the date of vendor's notification of the WIC Program disqualification.

WIC Federal Regulations are available on the Internet at: <http://ecfr.gpoaccess.gov/> under Title 7: Agriculture, Volume 4 – Food and Nutrition Service, Part 246

## SECTION VI. SIGNATURES

The undersigned hereby acknowledge:

They have read and understand the Arkansas WIC Program Vendor Participation Agreement and Vendor Handbook, which is a part of the Participation Agreement, and by signing it, the parties understand they are bound by the terms and conditions of the agreement and handbook.

\_\_\_\_\_  
Owner/Authorized Agent                      Date

\_\_\_\_\_  
WIC Program Representative              Date

\_\_\_\_\_  
Manager, Food Delivery Section

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name of Store

\_\_\_\_\_  
WIC Vendor Number

**ARKANSAS WIC PROGRAM**

**VENDOR HANDBOOK**

## **ARKANSAS DEPARTMENT OF HEALTH WIC PROGRAM VENDOR HANDBOOK**

### **I. PROGRAM DESCRIPTION**

The purpose of the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) is to provide supplemental foods and nutrition education. The WIC Program serves pregnant, breastfeeding, and postpartum women, infants and children to age five years who live in Arkansas, are at nutritional risk, and are income eligible. The WIC Program has been found to be cost effective for taxpayers by significantly reducing the medical costs of WIC participants.

### **II. WIC APPROVED FOODS**

#### **A. WIC FOOD LIST AND APPROVED FOOD ITEMS**

The U. S. Department of Agriculture specifies WIC food categories. These foods are listed on an “Arkansas WIC Program Approved Food List” that is distributed to WIC participants and to WIC Vendors. This Approved Food List is updated as needed. It is the most current guidance on approved foods and will supersede this handbook if there is a change. A food list must be placed at each checkout. The food list also notes foods that are “Not Allowed” and other restrictions under each food item category. Additional food lists are available from your WIC Regional Food Delivery Liaison or the WIC Program state office.

For determination of Arkansas WIC eligibility of a specific food item, the food list supersedes the vendor’s “flag list” in the cash register and on any shelf tags produced by the vendor. Participants must be allowed to purchase items that are listed on their WIC Check/CVB according to the terms and conditions of the food list. Problems with cash register flag lists and shelf tags produced by the vendor’s corporate office should be referred to the corporate office, not the WIC Program.

#### **B. EXCHANGES AND SUBSTITUTIONS**

Exchanges for authorized food items by a WIC participant are allowed only if the food item is defective, spoiled, or has exceeded the “sell by”, “best if used by”, or other date limiting the sale. In these cases, the food must be replaced with an identical authorized food item (the exact size and brand as the original authorized WIC food item). Exception: Recalled food items will be exchanged in accordance with manufacturer instructions.

A vendor may not substitute any item that is listed on a WIC Check/CVB, for example 2 half gallons for a gallon of milk. Rare exceptions may be authorized at the sole discretion of the WIC Program State office.

### **C. MINIMUM STOCK REQUIREMENTS (See Appendix A)**

Vendors must maintain minimum stock at all times for WIC approved foods as listed in Appendix A of the WIC Vendor Handbook throughout the period of this agreement. Expired or damaged food may not be used in the calculation of minimum stock. As much as possible, the stock should be on the shelf, available for purchase. Infant formula may be stored in and dispensed from a secure area. If not maintained on the shelf, the vendor must post a sign in the infant food section instructing customers where formula can be accessed.

Waivers of minimum stock requirements for fresh fruits and vegetables (purchased with CVBs) will not be granted. Waivers of minimum stock requirements for other WIC approved food must be requested in writing and approved by the WIC Program. Waivers are valid only for the remaining period of the agreement under which they are granted.

### **D. IDENTIFYING ARKANSAS WIC APPROVED FOOD ITEMS**

Vendors are responsible for correctly identifying the Arkansas WIC Approved foods in their stores by using shelf tags. Vendors may **only** use the tags issued by the Arkansas WIC Program. Currently those tags are red and are printed with a sun logo and “Arkansas WIC Approved” in white. Vendors **may not** use any other tags to identify Arkansas WIC Approved foods. Copies of the tags are not allowed. If you need tags, contact your WIC Regional Food Delivery Liaison or the WIC Program state office.

For food categories that are not limited to the purchase of the least expensive brand, all brands allowed on the food list must be tagged. For food categories that are limited to the purchase of the least expensive brand (milk, cheese, eggs, canned beans, juice), only the vendor’s least expensive brand in each variety should be tagged. This will assist WIC participants to select the correct items. If an item goes on sale and temporarily becomes the least expensive brand, the vendor does not have to retag the item, but must sell it if selected by the WIC participant. When a shelf section is reset, WIC tags should be replaced immediately.

### **III. WIC CHECKS AND CASH VALUE BENEFITS**

#### **A. WIC Checks and Cash Value Benefits**

1. **WIC Check** – computer generated by the WIC Program.
2. **Cash Value Benefit (CVB)** – computer generated by the WIC Program.

#### **B. The WIC Check and CVB Redemption Process**

At the time of redemption, vendors must adhere to the following procedures:

1. **Participant Identification Folder (ID Folder):**
  - The yellow ID Folder must be presented at the time of the WIC Check/CVB transaction.
  - The vendor must compare the name(s) and signatures on each WIC Check and CVB to the ID Folder at the end of each transaction.
  - The name on the WIC Check or CVB must match the name of one of the persons listed on the ID Folder and the signature must match the signature of one of the persons authorized to sign WIC Checks and CVBs.
  - No other identification is required.
  - The ID numbers on the folder and WIC Check/CVB are NOT required to match. They may be, in fact, different numbers.
2. **WIC Check Transactions – Procedures for redemption:**
  - a. The WIC Authorized Representative (AR) or Proxy will inform the cashier that she/he wishes to make a purchase using a WIC Check(s).
  - b. Ask for the WIC ID Folder and WIC Check(s) that will be used for this purchase.
  - c. Only accept a WIC Check(s) presented within the valid dates printed on the front.
  - d. Separate the items to be purchased with the WIC Check(s) from any other items the participant may be purchasing.
  - e. Make sure the types and quantities of foods listed on the WIC Check have been selected by the participant.
  - f. Total the WIC items and deduct any coupons and/or process loyalty card discounts.
  - g. Enter the amount of sale for the WIC items using **blue or black ink** in the Amount of Sale box on the WIC Check.
  - h. Ask the AR or Proxy to sign the WIC Check on the signature line on the front of the check in the lower right-hand corner.
  - i. Verify the signature on the check with one of the name(s) listed for AR or Proxy on the WIC ID Folder.
  - Each WIC Check must be entered as a separate transaction.
  - The WIC AR or Proxy must purchase all of the items listed on the WIC Check. No substitutions. No rain checks or due bills.

- The WIC Check is valid only if the WIC participant, AR, or proxy signs on the signature line on the front of the check in the lower right-hand corner at the time of purchase. **Vendors may not obtain the signature at a later date.**
  - Do not accept a WIC Check that has been altered using correction fluid, written over, signed in advance of the purchase or copied.
3. **Cash Value Benefit Transactions – Procedures for redemption:**
- a. The WIC Authorized Representative (AR) or Proxy will inform the cashier that she/he wishes to make a purchase using a Cash Value Benefit (CVB).
  - b. Ask for the WIC ID Folder and CVB(s) that will be used for this purchase.
  - c. Only accept CVBs presented within the valid dates printed on the CVBs.
  - d. Separate CVB items (fresh or frozen fruits and vegetables) from any other food items she/he may be purchasing. **NOTE:** Unlike WIC Checks, CVBs from a single household may be combined in a single transaction.
  - e. Make sure the types of fresh or frozen fruits and vegetables as allowed on the Approved Food List have been selected by the participant.
  - f. Total the CVB items and deduct any coupons and/or process loyalty card discounts.
  - g. If the amount of purchase is **less than or equal to** the dollar value of the CVB(s), enter that amount in the “Amount of Sale” box. No change is given. If the amount of the purchase **exceeds** the face value of the CVBs presented, inform the AR/Proxy of the excess (including tax on the excess amount) and ask if he/she would like to pay the excess and with which type of tender. The AR/Proxy must also be given the opportunity to decrease the number of items purchased if she/he does not wish to pay the excess amount.
  - h. If the AR/Proxy agrees to pay the excess (including tax on the excess amount unless participant is paying with SNAP EBT), complete the transaction by entering in the full face value of the CVB(s) in **blue or black ink** and accept the tender from the AR/Proxy. **Note:** For CVB transactions where the AR/Proxy pays the excess, you may give a receipt.
  - i. Ask the AR or Proxy to sign the CVB on the signature line on the front of the check in the lower right-hand corner.
  - j. Verify the signature on the check with one of the name(s) listed for AR or Proxy on the WIC ID Folder.
- Cash Value Benefits (CVBs) are to be used for the purchase of fresh or frozen vegetables and fruits only.
  - CVBs have a cash value, but you may **not** give change back to the AR/Proxy if the purchase is less than the face value.
4. **Review WIC Check and CVB** - Review each WIC Check and CVB to make sure that the WIC participant has selected the correct foods, sizes, and specified brands as listed on the participant’s WIC Check and/or WIC Approved Food List.

5. **Recording Purchase Amount and Signature** – Record the amount of sale in blue or black ink **before** the authorized representative or proxy signs the WIC Check or CVB on the signature line on the front of the check in the lower right-hand corner.
6. **Rain Checks** –Do not redeem WIC Checks or CVBs unless all food items listed on the WIC Check are available. Do not issue credit in any form (rain checks or IOUs).
7. **Original Dated Cash Register Receipts or Calculator/Adding Machine Tape** – Retention of cash register receipts shall be at the discretion of the store/vendor, however, receipts shall not be given to participants.
8. **Special Offers** – Offer WIC participants, authorized representatives and proxies all specials, sale prices, trading stamps, loyalty cards, etc. offered by the store to all of its customers.

### C. WIC Check and CVB Review

WIC vendors redeem WIC Checks or CVBs for WIC approved foods as specified on the WIC Check or CVB. To be considered valid the vendor must ensure:

1. **First Day To Use:** The first date on which the WIC Check or CVB may be redeemed. WIC Checks or CVBs redeemed prior to this date will not be paid. Dates must be checked carefully during redemption.
2. **Last Day To Use:** The last date on which the WIC Check or CVB may be redeemed. Payment will not be made on WIC Checks or CVBs redeemed after this date.
3. **Purchase Date:** The date the WIC Check or CVB was actually redeemed.
4. **Description:** The quantities, sizes, and specific foods that must be purchased with the WIC Check or CVB.
5. **Amount of Sale:** The purchase price of the WIC foods. The vendor records the amount of sale in **blue or black ink** on the WIC Check or CVB at the time of the transaction **before** the authorized representative/proxy signs. The vendor must accept payment for the actual selling price, but no more than the maximum allowable reimbursement (MAR) amount for WIC Checks. For CVBs, the vendor must accept payment from the WIC Program for the actual selling price, not to exceed the fixed amount printed on the CVB. It is the authorized representative/proxy's responsibility to pay any amount, including applicable taxes, on any amount over the fixed amount printed on the CVB.
  - The vendor cannot withhold any item from the food package to avoid exceeding the MAR or refuse to redeem a WIC Check that exceeds the MAR.

- A vendor who redeems WIC Checks consistently at or near the maximum allowable reimbursement amount will be monitored as a potentially high-risk vendor.
  - The vendor cannot charge the WIC participant for any amount in excess of the MAR for the specific WIC Check.
6. **Signature of Participant/Authorized Representative/Proxy:** The person redeeming the WIC Check or CVB signs **in blue or black ink on the signature line on the front of the check in the lower right-hand corner after** the transaction is completed. The cashier then checks the signature on the WIC Check or CVB with the signature(s) on the yellow WIC ID Folder to verify the identity of the person(s) authorized to redeem the WIC Check or CVB. If the signature does not match a signature on the ID folder, return the WIC Check or CVB to the signee and refer them back to the local WIC Clinic.
  7. **Official Arkansas Vendor Stamp:** The vendor stamps the WIC Check or CVB, using the unique four (4) digit vendor number stamp prior to depositing into vendor's bank. WIC Checks or CVBs stamped with a previous owner's stamp will not be honored. Vendor stamps must be returned to the WIC Program office within 15 days of termination of the agreement. Replacement stamps and ink pads can be obtained from the WIC Program state office.

#### **D. WIC Check Preparation and Submission**

1. Review all WIC Checks and CVBs to ensure they are completed correctly prior to submitting for payment. This includes:
  - checking that the vendor stamp is on each WIC Check/CVB to be deposited;
  - checking that the amount of sale entered on CVBs does not exceed the face value (correct if necessary);
  - checking for amount of sale that is far above/below the amount expected for the check type – these may be cases of switched endorsements, e.g. a check for 10 cans of formula with an amount of sale of \$11.49 and an infant food check for \$114.90 (send in to the WIC Program state office for deposit);
  - checking that the signature and amount of sale have been entered in blue or black ink (for any entries other than in blue or black, send to the WIC Program state office for deposit).
2. Deposit properly completed WIC Checks and CVBs to the vendor's bank of deposit within 60 days from the "First Day to Use" date. Please deposit checks daily if at all possible.
3. The WIC Program must make payment to vendors within 60 days after valid WIC Checks and CVBs are submitted for redemption.

## **E. Rejected WIC Checks**

- 1. WIC Checks and CVBs rejected for the following reasons CAN BE CORRECTED AND REDEPOSITED by the Vendor. DO NOT send these to the WIC State office for approval:**
  - a. Missing Vendor Number – vendor stamps the check(s) with the official stamp provided by the Arkansas WIC Program and redeposits.
  - b. Unreadable Vendor Number – vendor clarifies by re-stamping or writing in ink the vendor number next to the original stamp and redeposits. Be sure the 4-digit vendor number is right side up and legible.
  
- 2. Returned Over the Max – ACH Applied - DO NOT REDEPOSIT:**
  - a. The WIC Program’s bank will reject any WIC Check that lists a purchase amount above the 112% of the peer group average, which is the Not to Exceed (NTE) amount. The WIC Program bank will also reject any CVB that lists a purchase amount above the fixed-price printed on the CVB.
  - b. The rejected WIC Checks or CVBs will be stamped “Returned Over the Max – ACH Applied” and returned to the vendor’s bank.
  - c. The vendor does not need to resubmit the WIC Check or CVBs stamped “Returned Over the Max – ACH Applied”. At the end of the week, the vendor’s bank account will be credited up to the amount of the NTE for these WIC Checks or the fixed-price for the CVBs.
  - d. This applies to all vendor types.
  
- 3. WIC Checks or CVBs rejected for the following reasons, WILL NOT BE PAID:**
  - a. Unauthorized vendor number
  - b. Altered (including use of correction fluid)
  - c. Purchase date prior to “First Day to Use” printed on check
  - d. Purchase date after “Last Day to Use” printed on check
  - e. Stale - deposited or redeposited more than 60 days after the “First Day to Use”
  - f. Second presentment
  - g. Redeemed prior to Vendor authorization
  - h. Missing signature or signature not on signature line in lower right-hand corner of the WIC Check or CVB.
  
- 4. Other**

If you feel a WIC Check or CVB has been rejected improperly or if you have any other questions regarding payment of a returned WIC Check or CVB, you may contact the Arkansas WIC Program at (501) 661-2508.

#### IV. VENDOR SHELF PRICE SURVEY

The WIC Program is required to periodically collect shelf prices for all authorized vendors. This information is used to ensure regional competitive pricing for WIC approved items sold by WIC vendors. A different average price list is prepared for each of the fourteen (14) vendor peer groups in the state. Peer groups are based on location in the state, size of the store and type of store. Each authorized WIC vendor is assigned to a peer group.

Peer group average prices are used to calculate the competitive prices vendors must maintain to meet vendor selection criteria as well as the maximum amount the WIC program will pay for each food item when there are occasional spikes in prices. More information about peer group average prices, competitive price levels and maximum prices is provide in the *Arkansas WIC Program Vendor Participation Agreement and Handbook* on page 2.

At the time of the shelf price survey, vendors are asked to provide shelf prices for the **most expensive WIC approved brand that the store carries** in each food category on the survey. It is extremely important that the price given is for the **most expensive**. The items listed by the vendor on the survey may not be the same brands most commonly sold to WIC customers, especially in categories such as milk or juice that require vendors to sell the least expensive brand available at the time of purchase. Providing the highest priced items on the survey ensures that the calculated average price allows vendors room to sell a more expensive brand if necessary (i.e. if the store is temporarily out of the brand that is most often the least expensive).

Shelf price surveys are collected at least three times each year. If there are significant price increases on certain categories of food items such as milk or formula, spot surveys may be conducted. If your store is experiencing significant price hikes on WIC approved foods, please contact the WIC state office with information on the product name, size container, new price and date that the increase is expected.

In 2012, the Arkansas WIC program will begin using a web-based shelf price survey. When surveys are conducted, vendors will be sent a weblink via e-mail to access the survey form.

## **V. PROGRAM INTEGRITY**

### **WIC Participant Abuse**

WIC participants, authorized representatives, and proxies who attempt to abuse the program should be reported to the WIC Regional Food Delivery Liaison or the Arkansas WIC Program state office. Report the name or WIC Check or CVB number to assist in identification. Examples of participant abuse include:

- a. Attempting to receive cash, nonfood items, cigarettes, or alcoholic beverages rather than the items specified on the WIC Check or CVB
- b. Attempting to cash WIC Checks or CVBs for non-WIC food items
- c. Attempting to exchange WIC approved infant formula for non WIC-approved items
- d. Being abusive toward store employees
- e. Altering WIC Checks or CVBs
- f. Unauthorized use of WIC Checks or CVBs
- g. Attempting to sell or give away food purchased with a WIC Check or CVB

### **WIC Vendor Abuse**

It is the vendor's responsibility to have an effective program in place to prevent program abuse by its employees. This includes a strategy for preventing trafficking of WIC Checks and CVBs and a plan for routine training and updating staff on WIC policies and procedures. The Arkansas WIC Program is happy to assist by providing training conducted by our staff and reference materials for use by the vendor's training staff.

Any program abuse discovered by a vendor must be reported immediately to the WIC Program state office. While the vendor may choose to take disciplinary action against the offending employee, it is not a substitute for reporting the abuse to the WIC Program.

The Arkansas WIC Program uses, but is not limited to, routine vendor monitoring visits, compliance buys, bank records, complaints, and public media sources to monitor for vendor abuse. All information gathered from these sources may be used to initiate a compliance investigation.

## VI. DEFINITIONS

Reviewing the following definitions will enable you to interpret and understand the information included in this handbook and vendor agreement:

**Above-50-percent Vendor** – A vendor with total annual sales of WIC foods with WIC Checks more than 50% of the vendor's total annual sales of foods eligible for purchase with Supplemental Nutrition Assistance Program benefits (SNAP Eligible Foods, see Appendix C).

**Approved Food List** – A list of those foods that meet the specifications established by Federal WIC Regulations and the Arkansas WIC Program.

**Proxy** - A person chosen by the participant/authorized representative who is allowed to purchase WIC food in the grocery store for the participant. The person(s)' name and signature must appear on the yellow ID Folder. Participants may name up to two proxies.

**Automated Clearing House (ACH)** – An electronic payment mechanism used by the Arkansas WIC Program's contract bank to accumulate and credit vendors' bank accounts with an appropriate amount up to the not-to-exceed amount on WIC Checks deposited. The ACH is used to adjust checks that have been erroneously deposited for amount above the NTE.

**Cash Value Benefit (CVB)** – A monetary benefit a participant can use to purchase authorized fresh or frozen fruits and vegetables. CVBs are issued in increments of 6, 10 and 15 dollars. CVBs are negotiable bank drafts, printed on the same check stock as WIC Checks, but different regulations apply to their use and redemption.

**Cessation of Operations** – A store is closed for more than 90 days.

**Change of Ownership** – All, or substantially all (more than 50%), of the assets of the store are sold or transferred to a new owner or business entity.

**Change of Location** - Moving a store from one city or township to another.

**Claim** – A demand for reimbursement for WIC Check(s) or CVB(s) improperly redeemed and paid.

**Civil Money Penalty** – Punitive assessments imposed for mandatory vendor sanctions when the State Agency determines that disqualification of the vendor will result in inadequate participant access.

**Competitive Pricing** – The prices a vendor or vendor applicant charges for WIC supplemental foods compared to the prices charged by other vendor applicants and/or authorized vendors in the vendor's peer group, as determined by the Arkansas WIC Program.

**Compliance Buy** – A covert, on-site 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 WIC Checks or CVBs, and does not reveal during the visit that he or she is a program representative.

**Fine** – A monetary penalty imposed by the Arkansas WIC Program on a vendor for a violation of WIC Program rules.

**Incentives** – Providing any inducements to WIC participants or authorized representatives to shop in a store or recruit other customers including WIC participants to shop in the store. Incentives include but are not limited to:

- Providing cash, gifts, gift cards, gift certificates, coupons or any other type remuneration;
- Providing items including food or other products;
- Providing services including transportation to or from the store or delivery of WIC foods;
- Selling incentive items below cost;
- Lottery tickets, lotteries, prize and/or cash drawings, chances, or raffles of any type;
- Sales and specials on WIC approved food items unless the food was obtained by the vendor at no cost and does not result in charging the WIC Program for more food than listed on the WIC Check or CVB.

**Local WIC Clinic/Health Unit** – The authorized clinic that provides WIC Program services to WIC participants in a specific area.

**Maximum Allowable Reimbursement (MAR)** - Is equal to the Not To Exceed (NTE) amount for the respective regular vendor's peer group by type of WIC Check.

**New Vendor** – A vendor not previously authorized by the WIC Program. A store with a change in ownership, a store with a change in location, and/or a store that resumes business after cessation of operations for more than 90 days are all considered new vendors.

**Not to Exceed (NTE) Amount** – This is the highest reimbursement price for regular vendors for a WIC Check for a specific food package. A NTE is calculated for each WIC Check for each peer group and sent with a daily WIC Check issuance file to the Arkansas WIC Program contract bank.

**First Day to Use** – The date indicated in the upper right hand corner of the WIC Check or CVB. WIC Checks or CVBs cannot be redeemed before this date. This date is sometimes called the "Issue Date".

**Overcharge** – Charging the WIC Program more than the lowest price available to other customers, more than sale or special prices, more than price lists or shelf prices posted in the store, or more than is permitted under the vendor agreement.

**Participant** – Pregnant women, breastfeeding women, postpartum women, infants and children who are receiving supplemental foods or WIC Checks or CVBs, under the WIC program, and the breastfed infants of participant breastfeeding women.

**Participant Violation** – Any intentional action of a participant, parent or caretaker of an infant or child participant, or proxy that violates federal or state statutes, regulations, policies, or procedures governing the Arkansas WIC Program. Participant violations include intentionally making false or misleading statements or intentionally misrepresenting, concealing, or withholding facts to obtain benefits; exchanging CVBs, WIC Checks or supplemental foods for cash, credit, non-food items, or unauthorized food items, including supplemental foods in excess of those listed on the participant’s WIC Check; threatening to harm or physically harm clinic or vendor staff; and dual participation.

**Price limitations** - The maximum allowable reimbursement (MAR) amounts for each type of redeemed WIC Check for each vendor peer group and/or vendor type.

**Proxy** – Any person designated by a women participant, or by a parent or caretaker of an infant or child participant, to obtain and transact WIC Checks or CVBs or to obtain supplemental foods on behalf of a participant. The proxy must be designated consist with the Arkansas WIC Program procedures established according to federal regulations. Parents or caretakers applying on behalf of children and infant participants are not proxies.

**Shelf Price** – Regular purchase price of a WIC approved food.

**Reauthorization Process** – The reauthorization process begins when applications for renewal of authorization are sent to existing vendors. The reauthorization process may include revisions to the vendor agreement and/or handbook.

**Regular Vendor** – A vendor with total annual sales of WIC foods with WIC Checks 50% or less than the vendor’s total annual sales of foods eligible for purchase with Supplemental Nutrition Assistance Program benefits (SNAP Eligible Foods, see “Foods to Include in Total Food Sales Calculations” - Appendix C).

**Supplemental Nutrition Assistance Program (SNAP)** - Formerly the Food Stamp Program, SNAP is the USDA Food and Nutrition Service’s food assistance program for eligible low-income people and families. SNAP provides food benefits and partners with nutrition education providers.

**Trafficking** – Exchanging (buying or selling) WIC Checks or CVBs for cash.

**Vendor** – A store applying for authorization or authorized by the Arkansas WIC Program to provide WIC foods to WIC Program participants. The store may be operated by a sole proprietorship, partnership, cooperative association, corporation, or other business entity. Each store operated by a business entity is a separate vendor and must be authorized separately from other stores operated by the business entity. Each store must have a single, fixed location.

**Violation** – An infraction of program regulations, policies, or agreements.

**Last Day to Use** – The date indicated on the front of the WIC Check or CVB. WIC Checks or CVBs cannot be redeemed after this date. The date is sometimes called “Void After” date.

**WIC** – The acronym for the Special Supplemental Nutrition Program for Women, Infants, and Children authorized by Section 17 of the Child Nutrition Act of 1966, as amended. (42 USC 1786).

**WIC Approved Foods** – Foods that meet specifications established by WIC Federal Regulations and the Arkansas WIC Program.

**WIC Program** – Administering unit for the Arkansas WIC Program, within the Arkansas Department of Health.

**WIC Check** – The negotiable bank draft that is used by participants in the Arkansas WIC Program to purchase the WIC foods. The WIC Check lists foods and food quantities prescribed for the participant.

**WIC Identification Folder (ID Folder)** – A yellow folder given to authorized WIC participants showing names and signature(s) of the person or persons who are authorized to redeem their WIC Checks or CVBs.

APPENDIX A: MINIMUM STOCK REQUIREMENTS

CATEGORY & DESCRIPTION	MINIMUM STOCK	PACKAGE SIZE & WEIGHT	BRAND & VARIETY	NOT ALLOWED	NOTES
<b>Infant Formula</b>					
Infant Formula (1)	15 cans – Enfamil Premium Infant (after 10/1/12 – Good Start Gentle)	12.5 oz powdered 12.7 oz powdered	Enfamil Premium Infant Enfamil ProSobee Enfamil AR Enfamil Gentlease	Low iron formula or any brand not listed	Issue only exact brand, size, type & number of cans specified on WIC Check
(2)	<b><u>AND</u></b> 11 cans – Enfamil ProSobee (after 10/1/12 – Good Start Soy)	12.9 oz powdered 12.9 oz powdered	NOTE: October 1, 2012 the brands of formula will change from Enfamil to Good Start.		
	<b><u>OR</u></b> 11 cans - Enfamil AR (after 10/1/12 – NA)	12.9 oz powdered	Good Start Gentle Good Start Soy		
	<b><u>OR</u></b> 11 cans - Enfamil Gentlease (after 10/1/12 – Good Start Soothe)	12.4 oz powdered 12.4 oz powdered	Good Start Soothe Good Start Protect (no min. requirement for Protect)		
<b>Infant Cereal</b>					
Dry, plain, unflavored infant cereal	Six (6) - boxes	8 oz box	Beechnut and Gerber; rice, barley, oatmeal	Fruit or fruit flakes, high protein, mixed or individual servings	

APPENDIX A: MINIMUM STOCK REQUIREMENTS

CATEGORY & DESCRIPTION	MINIMUM STOCK	PACKAGE SIZE & WEIGHT	BRAND & VARIETY	NOT ALLOWED	NOTES
<b>Infant Foods</b>					
Infant vegetables and Infant fruits	Forty-eight (48) jars total with: three (3) varieties of vegetables; and three (3) varieties of fruit	4 oz jar	Only brands and varieties listed on WIC Approved Food List	No white potatoes	
Infant meat	<u>AND</u> Sixteen (16) jars total with two (2) varieties	2.5 oz jar			
<b>Eggs</b>					
Medium and/or Large, white, Grade A or AA eggs	Six (6) dozen	1 dozen carton	All brands	Eggland's Best, cage free, organic, or brown eggs	Least expensive brand available at time of purchase
<b>Beans/Peas</b>					
Plain, unseasoned dry beans, peas or lentils	Six (6) - 1 lb packages	1 lb bag	All brands	Mixed or flavored beans	Canned only - Least expensive brand within chosen variety available at time of purchase
Canned beans/peas	<u>AND</u> Sixteen (16) cans total with three (3) varieties	14 – 16 oz cans	Only varieties listed on WIC Approved Food List	Baked, chili, mixed, or beans with added flavoring, fat, oil or meat	
<b>Peanut Butter</b>					
Peanut butter	Six (6) 18 oz jars	18 oz jar	All brands, creamy, crunchy, extra crunchy, natural and reduced- fat	“Plus”, peanut butter combinations, organic, or Omega-3 added	

APPENDIX A: MINIMUM STOCK REQUIREMENTS

CATEGORY & DESCRIPTION	MINIMUM STOCK	PACKAGE SIZE & WEIGHT	BRAND & VARIETY	NOT ALLOWED	NOTES
<b>Milk</b>					
Vitamin D or A/D fortified milk	(1) Three (3) gallons whole milk <u>AND</u> Six (6) gallons any combination of 2%, 1%, Skim, Fat Free  (2) Two (2) half-gallon whole milk <u>AND</u> Three (3) half gallon any combination of 2%, 1%, Skim, Fat Free  (3) Two (2) quarts (or Four (4) pints) whole milk <u>AND</u> Three (3) quarts (or Six (6) pints) any combination of 2%, 1%, Skim, Fat Free	Milk – 1 gallon, 1/2 gallon & quart (2 pints=quart)	Any brand or as noted on WIC check. Variety(ies) will be noted on WIC Check as fat-free, skim, non-fat, low-fat, light, or 1% reduced fat, 2%, or whole.	“Deluxe,” “Plus,” organic, flavored, sweetened-condensed, non-dairy, goat's milk, Copy Cow or Vitamite	Least expensive brand available at time of purchase for size of container  Variety will be noted on WIC check

APPENDIX A: MINIMUM STOCK REQUIREMENTS

CATEGORY & DESCRIPTION	MINIMUM STOCK	PACKAGE SIZE & WEIGHT	BRAND & VARIETY	NOT ALLOWED	NOTES
<b>Cheese</b>					
Regular 100% cheese	Eight (8) lbs (minimum of three varieties)	14-16 oz packages 7-8 oz regular or low-fat packages	Any brand of: American Cheddar Colby Mozzarella	Cheese foods, cheese products, whips or spreads, shredded, grated, smoked, cubed, blended, or imported	See WIC Approved Food List notes for types and amounts which can be issued
<b>Cereal</b>					
Cold and hot cereal	Thirty-six (36) boxes/bags total with at least 4 varieties of cold and 1 hot. Of the 36 total, at least 12 boxes must be whole grain cereal of sizes that can total 36 oz (See below for cereals that qualify as whole grain)	All sizes are acceptable, bag or box	Only brands and varieties listed on WIC Approved Food List		
<p><b>GM</b> Cheerios Dulce de Leche, Plain and Multigrain; Chex Corn, Multi-Bran and Wheat; Dora the Explorer; Kix Berry, Honey and Plain; <b>Kellogg's</b> Frosted Mini Wheats Big Bite, Bite Size and Little Bites; Frosted Mini Wheats Touch of Fruit in the Middle Mixed Berry and Raspberry; <b>Malt-O-Meal</b> Mini Spooners (all varieties); <b>Post</b> Bran Flakes; Grape Nuts; Honey Bunches of Oats Vanilla Clusters; <b>Quaker</b> Life Plain; Oatmeal Squares-Hint of Brown Sugar and Cinnamon; <b>B &amp; G Foods</b> Cream of Wheat Whole Grain 2 ½ Minute, <b>Quaker</b> Instant Oatmeal – (original flavor-individual packets)</p>					

APPENDIX A: MINIMUM STOCK REQUIREMENTS

CATEGORY & DESCRIPTION	MINIMUM STOCK	PACKAGE SIZE & WEIGHT	BRAND & VARIETY	NOT ALLOWED	NOTES
<b>Whole Grains</b>					
Whole grain bread	Four (4) 16 oz loaves	16 oz loaf	Only brands and varieties listed on WIC Approved Food List in the Whole Grains Section		Brown rice may be instant, quick, boil-in-bag, or regular cooking
Brown rice	<b><u>AND</u></b>				
Whole grain tortillas	Four (4) - packages of any combination of brown rice, whole grain tortillas or oatmeal (based on local demand)	14 - 16 oz bags or boxes			
Oatmeal		16 oz package			
		16 oz container			
<b>Juice</b>					
100% juice	(1) Eight (8) - 11-12 oz frozen in at least two varieties <b><u>AND</u></b>	11-12 oz – frozen concentrate	Only brands and varieties listed on WIC Approved Food List	Cocktails, fruit or juice drink, ades or blended juices other than those listed on the WIC Approved Food List	Least expensive brand by flavor available at time of purchase
	(2) Eight (8) – 46 – 48 oz single strength pourable cans or bottles in at least two varieties <b><u>AND</u></b>	46-48 oz single strength pourable can or bottle			
	(3) Eight (8) – 64 oz single strength pourable bottles or cartons in at least two varieties	64 oz single strength pourable bottle or carton			

APPENDIX A: MINIMUM STOCK REQUIREMENTS

CATEGORY & DESCRIPTION	MINIMUM STOCK	PACKAGE SIZE & WEIGHT	BRAND & VARIETY	NOT ALLOWED	NOTES
<b>Fish</b>					
<p>Chunk light tuna in water</p> <p>Pink salmon</p> <p>Sardine</p>	<p>Ten (10) cans - any combination of chunk light tuna in water, pink salmon or sardines</p>	<p>Any brand and any combination of fish types and can sizes not to exceed number of ounces listed on WIC Check</p>	<p>All brands</p>	<p>Albacore or smoked-flavored tuna, breast of tuna, tuna spread, tuna in oil, or low salt/low fat tuna, blueback salmon, red salmon, chum, flavored tuna or salmon. No pouches - can only.</p>	
<b>Fresh Fruits and Vegetables</b>					
<p>Any variety of fresh vegetables and fruits. Salad mixtures, vegetables, or fruits in bags or containers. * No potatoes except sweet potatoes and yams</p>	<p>Two (2) varieties of fresh fruit</p> <p><b><u>AND</u></b></p> <p>Two (2) varieties of fresh vegetables; total value of fresh stock to equal at least \$45 (see note)</p>		<p>All brands</p>	<p>White potatoes; items from a salad bar; party trays; fruit baskets; nuts; fruit/nut mixtures; decorated pumpkins; gourds; dried; herbs; spices; salad dressings; salad kits or salad mixtures containing salad dressing, croutons, etc.</p>	<p>Frozen vegetables and fruits can be stocked and value included to meet the total \$45.</p>

APPENDIX A: MINIMUM STOCK REQUIREMENTS

CATEGORY & DESCRIPTION	MINIMUM STOCK	PACKAGE SIZE & WEIGHT	BRAND & VARIETY	NOT ALLOWED	NOTES
<b>Frozen Vegetables</b>					
Any brand plain vegetable, plain vegetable mixtures without white potatoes	No minimum	Any size. Any package type (bag or box).	All brands, with or without salt	White potatoes or potato mix (except sweet potatoes or yams); French fries; tater tots; hash browns; veg. with sauces, seasoning, flavoring or breading; veg. mixed with pasta, rice or any other non-vegetable ingredient	
<b>Frozen Fruits</b>					
Any brand plain fruit or plain fruit mixtures with no added sugar	No minimum	Any size, any package type (bag, box, or tub)	All brands	Ingredients other than fruit (including sugar)	

## APPENDIX B

### VENDOR APPLICATION PROCESS

The following is the application process for becoming an Arkansas WIC Vendor:

1. Applicant requests an application from the State WIC Office at [adhwicvendor@arkansas.gov](mailto:adhwicvendor@arkansas.gov) or call (501) 661-2508.
2. Applicants will be sent a weblink to complete the application form and shelf price survey on-line and an address to send the applicant questionnaire via e-mail. If the applicant does not have web access, paper copies will be sent.
3. The applicant reviews the terms and conditions for becoming an Arkansas WIC vendor. A sample copy of the Vendor Participation Agreement and Handbook is available at the Arkansas Department of Health website - <http://www.healthy.arkansas.gov/programsServices/WIC/Pages/default.aspx> or by request.
4. The applicant submits the application, questionnaire and shelf price survey for review.
5. The WIC Program reviews the information provided for completeness, accuracy and compliance with the established selection criteria listed in the Vendor Participation Agreement.
6. If the applicant meets the selection criteria, an on-site authorization visit is scheduled. During the visit, WIC Program staff will inspect the store, review minimum stock, check for compliance with other selection criteria and confirm other information provided in the application.
7. If approved, the WIC Program signs the Vendor Participation Agreement, assigns a four-(4) digit Vendor Identification Number, and trains store personnel on Arkansas WIC Program policies and procedures.
8. The vendor will also receive shelf tags for use on store shelves identifying WIC Approved Foods as well as an “Authorized WIC Vendor” sign(s). This sign must be posted in a prominent place on the front window or door of the store.
9. Two WIC vendor identification stamps will be provided upon authorization.

#### **IMPORTANT**

**If a change of location occurs or a store ceases operation for more than 90 days, the vendor must complete an application as a new vendor and follow the same process for authorization. WIC Vendor authorizations are not transferrable between stores or owners.**

**The applicant may not redeem WIC Checks or CVBs until the agreement is approved and signed by the WIC Program and a WIC Identification Number is assigned. This is true even if the applicant has purchased a store that was previously operating as an authorized WIC vendor. Accepting checks before authorization will be grounds for denial of the application.**

## APPENDIX C

### FOODS TO INCLUDE IN “TOTAL FOOD SALES” CALCULATIONS

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

**“Food sales” includes sales of—**

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

**“Food sales” does not include sales of—**

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