

Vendor Routine Monitoring

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What is Routine Monitoring?



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

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Basic Components of Monitoring



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

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Basic Components of Monitoring continued



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

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North Carolina Department of Health and Human Services
 Division of Child and Family Well-Being
 Community Nutrition Services Section
 WIC Vendor Service Center
 Raleigh, NC 27601-0101

WIC VENDOR MONITORING REPORT

WIC Program Name (as identified on): _____ WIC Vendor Name & State #: _____
 Vendor Number: _____ Date of Visit: _____ Contact Name Manager's Name: _____

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

The 5 Different Types of Monitoring Visits

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

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1. Pre-authorization

Retail Vendors complete sections:

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

Pharmacy Vendors complete sections:

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

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2. Second Pre-Authorization



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

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3. Routine

Routine Monitoring Requirements:

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

! Note: Mail reports within 2 days of monitoring visit

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3. Routine continued

Note Regarding Sanctions:

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

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4. Follow-up Monitoring

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

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4. Follow-up Monitoring continued



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

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5. Special Request Monitoring

- Must monitor within 7 days when requested by Community Nutrition Services Section

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Monitoring Toolbox Items

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

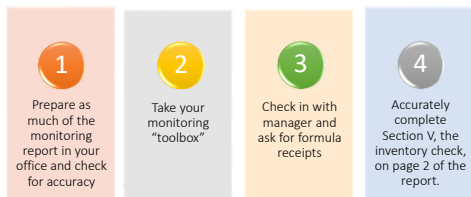
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Stop!



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8 Steps to a Successful Monitoring



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8 Steps to a Successful Monitoring continued

5	6	7	8
Review formula receipts and document findings in Section II	Discuss findings with manager and complete Section VI: Quality of Service	Complete and sign Section VII: Monitoring Visit Findings	Mail report to State WIC Agency within 2 days of visit

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Monitoring Free-standing Pharmacies

Complete only Page 1 of the Vendor Monitoring Report

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

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Section I Pharmacy Services

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

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Document

- Yes
- No
- Not Applicable

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Section I Pharmacy Services continued

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

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Section II Infant Formula Sources

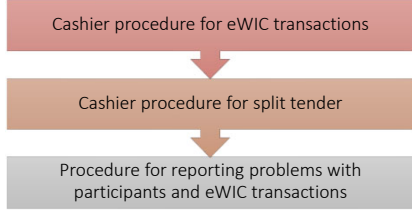
- Vendor must provide receipts from an approved infant formula source
- Document ‘Approved Supplier,’ ‘Not Approved Supplier’ or ‘Vendor Unable to Produce Infant Formula Receipts’
- If vendor is unable to produce infant formula receipts, document when the vendor intends to produce the receipts: Must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



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Section III Vendor Procedures

Review the following:



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Section IV eWIC Equipment

- IV. eWIC EQUIPMENT (See criteria listed on back of this page)
- Ensure that equipment used to transact eWIC is accessible to the WIC participant
- Number of eWIC POS terminals:
- Meets minimum lane coverage criteria
 - Does not meet minimum lane coverage criteria

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Minimum Lane Coverage Guidelines for Superstores and Supermarkets

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

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

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Minimum Lane Coverage Guidelines for All Other Vendors

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

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

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

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Minimum Lane Coverage Exercise

Question

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

- Does this meet minimum lane coverage criteria?

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Minimum Lane Coverage Exercise

Answer

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

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Section V

Documenting Required
Minimum Inventory of
WIC Approved Foods
(Page 2)



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Clean Monitoring Report-Example

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WIC Vendor Name and Street:		Vendor Number:		Date:	
V. INVENTORY OF WIC APPROVED FOODS					
Required Food Item, Size and Quantity	Expiry/Best Before Date	Quantity	Current Shelf Life (Days)	Shelf Life (Days) Reported by Vendor	Corrected Inventory
Flour (5 lb)	2/28/23	2	180	180	
Flour (10 lb)	2/28/23	1	180	180	
Chickpeas	2/28/23	2	180	180	
Eggs	2/28/23	2	180	180	
Cornstarch	2/28/23	2	180	180	
Beans	2/28/23	2	180	180	
Food Paste and Oil	2/28/23	2	180	180	
Infant Formula	2/28/23	2	180	180	
Milk Powder and Supplement	2/28/23	2	180	180	
Tea	2/28/23	2	180	180	
Water	2/28/23	2	180	180	
Instant Noodles	2/28/23	2	180	180	
Pasta	2/28/23	2	180	180	
Wheat Flour	2/28/23	2	180	180	
Whole Grain Flour	2/28/23	2	180	180	
Whole Grain Flour	2/28/23	2	180	180	
Whole Grain Flour	2/28/23	2	180	180	

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Minimum Inventory Requirements

Required Food Item, Size and Quantity	Type
Fluid Milk	2 gallons Whole fluid: gallon
	6 gallons Skim/Low Fat fluid: gallon
Cheese	2 packages 1 pound package
Eggs	2 dozen
Cereals	6 packages total combined 2 types, Min. size: 12-ounces Refer to UPC listing-Whole Grain Only
	4 containers Single strength, 64- ounce container
Juices	4 containers Single strength, 48-ounce container
	4 containers Single strength, 48-ounce container
Dried Peas and Beans	2 packages 1 pound package
Peanut Butter	2 containers 16 to 18- ounce container

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Minimum Inventory Requirements Cont.

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

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Whole Grain Cereal and Minimum Inventory

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

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

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Valid Expiration Date?

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



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Documenting "Type"



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

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Documenting Quantity

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

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

Example:

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

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Minimum Inventory Requirements Met?

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

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

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Required

- 2 types and 10 cans total combination of fruit

In Stock

- 5 cans of peaches

Deficiency

- 5 cans and 1 type

Documenting Quantity and Type Deficiencies

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Required

- 2 types and 6 packages Cereal – whole grain only

In Stock

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

Deficiency

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

Documenting Quantity Only Deficiencies

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Documenting Expired Foods



Always Document **ALL** 4 components

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

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

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

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Documenting Expired Foods Individual Types

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

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

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Documenting Expired Foods Combined Types

- If all of both types counted toward required minimum inventory have valid dates
 - “YES” should be documented in the “Valid Expiration Date” column by both types
- If some of the same type counted toward required minimum inventory have a valid date and some do not
 - “NO” – should be documented in the “Valid Expiration Dates” column
 - Document the expired items in the “Expired Foods” column

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Section VII Monitoring Visit Findings

Section VII-A: 'No deficiencies' found

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

Section VII-B: 'Deficiencies found'

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

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State Vendor Sanctions

The number of occurrences are documented for each violation

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

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


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

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State Vendor Sanctions

Violations	Disqualification Period
Three occurrences within a 12-month period of failure to stock the minimum inventory	180 days
Three occurrences within a 12-month period of stocking WIC supplemental foods outside of the manufacturer's expiration dates	90 days
Three occurrences within a 12-month period of failure to mark the current shelf prices of all WIC supplemental foods on the foods or have the prices posted on the shelf or display case.	60 days

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Checklist

Local Agency Reminders


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

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Vendor Monitoring Assistance

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QUESTIONS

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1. **mail:** U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1420 Independence Avenue, SW
Washington, D.C. 20250-9410.
2. **fax:** (833) 256-1665 or (202) 696-7442; or
3. **email:** program.intake@usda.gov

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