IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

(Please indicate) **State Agency:** _____ for **FY** **Select**

Food delivery and food instrument (FI) (*Food instrument* means a voucher, check, electronic benefits transfer card (EBT), coupon or other document which is used by a participant to obtain supplemental foods) accountability and control involve the production, issuance, redemption, and monitoring of automated and manual food instruments through retail systems and the delivery of WIC Program foods by non-retail methods, i.e., home delivery and direct distribution.

During a disaster or public health emergency, or supply chain disruption, the State agency may request to implement existing WIC regulatory and programmatic flexibilities or waivers to support the continuation of Program benefits and services. State agencies should consider the over arching authority, i.e. Stafford Act, Access to Baby Formula Act, or provision(s) authorized by Congress, and duration before developing a policy and procedure. The State agency must provide a detailed description of how it plans to operationalize the flexibility or waivers through their procedure manual where applicable. Please note that State Plans Guidance is not intended to capture a description of waivers authorized by Congress with separate reporting requirements.

Executive Order (EO) 13988, "*Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation."* was issued to all Federal Agencies. The EO set out policies that all persons are entitled to dignity, respect, and equal treatment under the law, no matter their gender identity or sexual orientation. The EO does not usurp section 17 of 42 U.S.C, as amended or applicable regulations, rather it complements the language in the nondiscrimination statement. Following the contents of the EO, State agencies must update their policies and procedures to align with the contents of the EO and the nondiscrimination statement.

Electronic Benefit Transfer (EBT) Implementation and Management

***A. Electronic Benefit Transfer (EBT): 246.4(a)(1), (a)(14)(xix), (a)(14)(xx), (a)(19), 246.12(h)(3), (w)-(bb)*:** describe the policies and procedures the State agency is using to implement and operate EBT

Retail Food Delivery Systems

B. Food Instrument Control Overview - 246.4(a)(11)(iii), (a)(14)(i), (a)(14)(vi), and (a)(14)(xii): describe the policies and procedures used by the State agency in producing, monitoring and accounting for the use of food instruments.

C. Food Instrument Pick-up and Transaction - 246.4(a)(11)(iii) and (a)(14)(vi): describe the State agency's procedures for issuing food instruments to participants, including procedures for verification, prorating food packages, training and proxy policies.

D. Food Instrument Redemption and Disposition - 246.4(a)(14)(vi): describe the procedures used to reconcile food instruments as either issued or voided, and as either redeemed or unredeemed, and redeemed food instruments as either validly issued, lost/stolen/damaged, expired, duplicate, or not matching issuance records.

E. Manual Food Instruments - 246.4(a)(11)(iii), (a)(14)(i), (a)(14)(vi) and (a)(14)(ix): describe the procedures for issuing and accounting for manual food instruments, including the procedures for documentation and disposition.

F. Special Food Instrument Issuance Accommodations - 246.4(a)(11)(iii), (a)(14)(i), (a)(14)(vi), (a)(14)(ix), (a)(14)(xiv) and (a)(21): describe alternatives to participant food instrument pick-up for issuance (e.g., mail or electronic issuance) and how the integrity of program services and fiscal accountability is ensured.

G. Vendor Cost Containment System Certification - 246.4(a)(14)(xv), 246.12(g)(4)(vi): describe the competitive pricing and reimbursement methods that the State agency will implement to ensure that average payments per food instrument to above-50-percent vendors do not exceed average payments per food instrument to comparable regular vendors.

Non-Retail Food Delivery Systems

H. Home Food Delivery Systems - 246.4(a)(11)(iii), 246.4(a)(14)(i), (a)(14)(vi), (a)(14)(vii) and (a)(14)(xii): describe how the State agency's home delivery system operates including but not limited to the types of authorized home food delivery contractors, the frequency of deliveries, and the procedures for documenting deliveries and ensuring safe food delivery of WIC foods, if applicable.

I. Direct Distribution Food Delivery Systems - 246.4(a)(11)(iii), (a)(14)(i), and (a)(14)(vi), (a)(14)(vii), and (a)(14)(xii): describe the methodology and procedures used in the direct distribution of supplemental foods, including types of foods distributed, warehouse and distribution centers, the verification process, and assurance of food safety, as applicable.

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

A. Electronic Benefit Transfer (EBT)

1. Is EBT implemented statewide?

☐ Yes (*Proceed to question 2)*

☐ No (*Continue to 1.a.*)

a. Does the State agency have an active EBT Project as of July 31, 2016?

☐ Yes ☐ No

b. Does the State agency follow APD requirements for EBT management and reporting?

☐ Yes ☐ No

2. What is the State agency policy for permitting replacement cards and transfer of balances per 7 CFR 246.12(bb)(2)?

_____

3. What are the State agency procedures for providing customer service during non-business hours for EBT cards per 7 CFR 246.12(bb)(3)?

_____

4. Does the State agency use the formula for EBT terminal minimum lane coverage in 7 CFR 246.12(z)?

☐ Yes ☐ No

a. If no, please provide the date of the approval of the approved alternative installation formula as required per 7 CFR 246.12(z)(2).

☐

5. Does the State agency use the NUPC database?

☐ Yes ☐ No

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROLB

B. Food Delivery and Food Instrument Control Overview

1. Food Instruments - General

a. The State agency uses the following types of FIs (check all that apply):

- ☐ Automated-point of certification
- ☐ Manual-individual prescription
- ☐ Pre-printed manual-standard prescription
- ☐ Automated-central generation
- ☐ EBT
- ☐ Other (specify): _____

b. The State agency conducts FI inventories (Place an S=[State agency] or L=[Local agency] under the appropriate column to designate primary responsibility):

Automated - EBT Cards	**Physical - Paper FIs**
___ Daily/perpetually	___ Daily
___ Other (specify): _____	___ Weekly
	___ Monthly
	___ Other (specify): _____

d. The EBT system allows for the following (check all that apply):

- ☐ A unique and sequential number benefit issuance identifier
- ☐ Each EBT purchase is matched to an authorized vendor, farmer, or farmers' market prior to authorizing payment per 7 CFR 246.12(x)(3)
- ☐ System contains authorized supplemental foods
- ☐ System contains first and last dates of use for electronic benefits

e. The State agency provides a toll-free number for participant/vendor/farmer inquiries on:

☐ Paper Food Instrument ☐ Cash-value voucher ☐ EBT Card/Sleeve ☐ None

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

2. Food Instrument Accountability

a. FIs are delivered to local agencies by:

- ☐ State agency staff
- ☐ Local agency staff
- ☐ US Postal Service
- ☐ On-demand printing
- ☐ Contracted service (e.g., UPS, Purolator, etc.)
- ☐ Other (specify): _____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROLB

B. Food Delivery and Food Instrument Control Overview

b. FIs (blank stock and preprinted ready for issuance) are delivered to the local agency (check all that apply):

Blank

- ☐ Not applicable
- ☐ Weekly
- ☐ Twice a month
- ☐ Once a month
- ☐ Once every two months
- ☐ Other (specify): _____

Preprinted

- ☐ Not applicable
- ☐ Weekly
- ☐ Twice a month
- ☐ Once a month
- ☐ Once every two months
- ☐ Other (specify): _____

c. The State agency uses the following procedures to ensure that unclaimed FIs are not being used fraudulently (check all that apply):

- ☐ Signatures on the documentation of receipt are compared for similarities in writing style implying one person signed for multiple participants
- ☐ Local agencies conduct an initial review to void food instruments for participants known to have been terminated from the Program
- ☐ Inventories of food instruments are not conducted by the same local agency staff responsible for issuing/voiding food instruments
- ☐ Procedures are in place to ensure the proper disposal of unused/duplicate/voided FIs
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

3. The State agency has established food delivery procedures in cases of natural disaster and emergencies for the following (check all that apply):

- ☐ Manual Issuance
- ☐ Automated issuance
- ☐ Remote issuance
- ☐ Mailing
- ☐ Home food delivery
- ☐ Direct distribution
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

c. The FI contains/allows for the following information (check all that apply):

- ☐ Not applicable
- ☐ Participant WIC ID number
- ☐ Countersignature for participant/proxy
- ☐ First date of use
- ☐ Redemption period
- ☐ Purchase price
- ☐ Local agency identifier
- ☐ Vendor/farmer endorsement
- ☐ Authorized supplemental foods
- ☐ Last date of use
- ☐ Serial number
- ☐ Signature space

Provide a facsimile of FI in Appendix or cite Procedure Manual:

_____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

C. Food Instrument Pick-up

1. Food Instrument Pick-Up Policy and Procedures

a. Food instruments are issued by (check all that apply):

	All Locals	Most Locals	Some Locals
Local agency director	☐	☐	☐
Local agency nutritionist	☐	☐	☐
Local agency paraprofessional	☐	☐	☐
Clerical staff	☐	☐	☐
Other (specify): _____	☐	☐	☐

b. The State agency utilizes a participant identification card:

☐ Yes ☐ Yes, with photo ☐ No

If yes, issuance is controlled numerically and each card is accounted for:

☐ Yes ☐ No

c. The State agency requires the following proof of receipt when issuing automated food instruments:

☐ Participant/parent/caretaker/proxy signature block on register confirming receipt

☐ Carbon copy of food instrument

☐ Local agency staff initials

☐ Date of food instrument pick-up

☐ Stub with participant signature or initials

☐ Other (specify): _____

d. The State agency has a policy to prorate food packages for the following:

☐ Late FI pick-up ☐ Certification due to expire within 30 days

☐ Mid-month certification ☐ Other (specify): _____

e. The State agency requires local agency staff to provide each new participant/parent/caretaker/proxy with training in (check all that apply):

☐ Authorized vendors/farmers ☐ Selecting WIC-approved foods

☐ FI transaction procedures ☐ Signature on FIs

☐ Use of proxy ☐ Reporting problems/requesting assistance

☐ Participant violations (i.e. selling or offering to sell WIC benefits)

☐ Other (specify): _____

f. The State agency requires local agency staff to provide participants with a list of authorized vendors/farmers/farmers' markets:

☐ Yes ☐ No

g. The State agency permits a participant to transact food instruments with any authorized vendor or farmer/ farmers' market in the State:

☐ Yes ☐ No

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

C. Food Instrument Pick-up

2. The State agency's proxy policy includes the following:

- ☐ Limits the number of participants a single proxy may sign for, except that a proxy may pick up FIs for all homeless WIC participants in a facility
- ☐ Limits proxy to a specified number of FI pick-ups
- ☐ Limits proxy to a minimum age
- ☐ Limits proxy assignment to local WIC staff
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

D. Food Instrument Redemption and Disposition

1. Food Instrument Disposition Procedures

a. The State agency system assures 100% disposition of all issued FIs

☐ Yes ☐ No

If no, specify the circumstances that prevent 100% disposition:

_____

b. Local agencies are supplied with a report on the final disposition of its FIs:

☐ Yes (specify period): _____ ☐ No

c. The State agency monitors each local agency's:

☐ Number of manual FIs utilized

☐ Number of unclaimed FIs

☐ Number of voided FIs

☐ Number of redeemed FIs with no issuance record

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

2. Unclaimed, Voided, Prorated FIs

a. The State agency requires local agencies to return "unclaimed/not picked up" FIs:

☐ Not applicable ☐ Daily ☐ Weekly ☐ Monthly

☐ Other (specify): _____

b. The State agency requires local agencies to return "voided" FIs:

☐ Not applicable ☐ Daily ☐ Weekly ☐ Monthly

☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

3. Lost/Stolen/Damaged Food Instruments

a. The State agency requires local agencies to report lost/stolen/damaged FIs to (check all that apply):

☐ State agency ☐ Police department ☐ State agency's banking institution

☐ EBT Coordinator

☐ Other (specify): _____

b. Replacement/duplicate FIs Issuance

(1) Replacement/duplicate FIs are issued when FIs are reported <u>lost</u>:

☐ No

☐ Depends on the circumstances

☐ Yes (If FIs are reissued, it is done):

- ☐ Immediately
- ☐ Following notification of State agency/bank agency
- ☐ After a _____ day waiting period (specify number of days)

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

D. Food Instrument Redemption and Disposition

(2) Replacement/duplicate FIs are issued when FIs are reported stolen:

- ☐ No
- ☐ Depends on the circumstances
- ☐ Yes (If FIs are reissued, it is done):
  - ☐ Immediately
  - ☐ Following notification of State agency/bank agency
  - ☐ After a _____ day waiting period (specify number of days)

(3) Replacement/duplicate FIs are issued when FIs are reported damaged:

- ☐ No
- ☐ Depends on the circumstances
- ☐ Yes (If FIs are reissued, it is done):
  - ☐ Immediately
  - ☐ Following notification of State agency/bank agency
  - ☐ After a _____ day waiting period (specify number of days)

c. Is a police report required before replacement benefits are issued when reported stolen?

- ☐ Yes
- ☐ No

d. The State agency or its banking institution takes the following action after it is notified by the local agency of lost/stolen/damaged FIs (check all that apply):

- ☐ Stops payment on the lost/stolen/damaged FIs
- ☐ Notifies vendor or farmer
- ☐ Other (specify): _____

Please provide a copy/citation of the State agency's policy and procedures that ensure that lost/stolen FIs cannot be redeemed OR lost/stolen/damaged EBT cards will be replaced and associated benefits transferred (7 CFR 246.4(a)(14)(xix)).

_____

e. The local agency documents in the participant's file that replacement FIs were issued:

☐ **Yes** ☐ **No**

f. If it is established that lost/stolen/damaged FIs are transacted by the participant who reported them lost/stolen/damaged, the following actions are taken:

- ☐ A claim for cash repayment is issued to participant
- ☐ Participant is disqualified; specify the period of time: _____
- ☐ Participant receives a warning
- ☐ Other (specify): _____

g. If lost/stolen/damaged FIs are transacted by someone other than the participant, the following actions are taken, check all that apply:

- ☐ Reported to police for investigation
- ☐ State agency or local agency does an investigation
- ☐ State agency or local agency notifies the participant

☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

h. The State agency monitors the level of reported lost/stolen/damaged FIs by local agency:

☐ Yes ☐ No

4. Food Instrument Redemption Screening (7 CFR 246.12(k)(1))

a. Describe in detail how the State agency sets maximum allowable reimbursement levels for for payment of food instruments (including whether the State agency uses vendors' shelf prices to set maximum reimbursement levels and how reimbursement levels are linked to competitive price criteria). If the State agency sets maximum allowable reimbursement levels differently for above-50-percent vendors and regular vendors, please explain the different methods used.

_____

(1) The State agency establishes maximum allowable reimbursement levels for:

(a) Each peer group ☐ **Yes** ☐ **No**

(b) Each food instrument or food category ☐ **Yes** ☐ **No**

(c) Other (please specify): _____ ☐ **Yes** ☐ **No**

(2) The State agency establishes maximum allowable reimbursement levels using:

(a) Standard deviations ☐ **Yes** ☐ **No**

If yes, specify the standard deviation number and explain how the State agency determined the standard deviation it used is appropriate:

_____

(b) A percentage above the average redemption amount ☐ **Yes** ☐ **No**

If yes, specify the percentage and explain how the State agency determined that this percentage is appropriate.

_____

(3) The maximum allowable reimbursement levels include a factor to reflect:

☐ Yes ☐ No Wholesale price fluctuations; explain:

_____

☐ Yes ☐ No Inflation; explain:

_____

☐ Yes ☐ No Other (please specify):

_____

b. The State agency screens FI through a pre-edit (before payment) or post-edit (after payment) process to detect the following:

Not Applicable	Pre-Edit Screen	Post-Edit Screen	
☐	☐	☐	Purchase price exceeds price limitations (FI only)
☐	☐	☐	Purchase price missing
☐	☐	☐	Altered purchase price
☐	☐	☐	Vendor/farmer identification missing
☐	☐	☐	Invalid/counterfeit vendor/farmer identification

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

D. Food Instrument Redemption and Disposition

☐	☐	☐	Transacted before specified period
☐	☐	☐	Transacted after specified period
☐	☐	☐	Redeemed after specified period
☐	☐	☐	Altered dates
☐	☐	☐	Missing signature
☐	☐	☐	Mismatched signature
☐	☐	☐	Altered signature
☐	☐	☐	Other (specify): _____

c. When the payment amount on a food instrument exceeds the maximum allowable reimbursement amount, what action does the State agency take?

- ☐ **Reimburses the vendor for amounts up to the maximum allowable reimbursement amount**
- ☐ **Reimburses the vendor at the peer group average**
- ☐ **Rejects the food instrument, but allows the vendor to resubmit**
- ☐ **Rejects the food instrument without allowing the vendor to resubmit**
- ☐ **Other (please specify):** _____

d. Where pre-edit screens are used, the proportion of FIs reviewed includes:

- ☐ All FIs ☐ Percentage of FI (_____ %)
- ☐ Other (please specify): _____

e. The edit system(s) that use(s) maximum allowable reimbursement levels to screen for vendor overcharges rejects food instruments based on:

Pre-Edit	Post-Edit	
☐	☐	Not To Exceed or Maximum Prices
☐	☐	Percentage above average (_____ %)
☐	☐	Amount above average ($ _____)
☐	☐	Other (specify): _____

(c) Other (please specify): _____ ☐ **Yes** ☐ **No**

f. The following actions are used to control against unauthorized stores redeeming FIs:

- ☐ Provide up-to-date list of authorized vendors to participants at certification and/or FI issuance
- ☐ Recover vendor/farmer/farmers' market stamp when vendor/farmer/farmers' market is no longer authorized
- ☐ Conduct compliance buy to verify if unauthorized store redeems FIs
- ☐ State agency or its banking institution checks vendor/farmer/farmers' market ID numbers on food instruments submitted for redemption against the authorized vendor/farmer/farmers' market list before paying vendors/ farmers/farmers' markets for FIs submitted for redemption
- ☐ Inform all participants who might use the unauthorized store
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix: and/or Procedure Manual (citation):

_____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

D. Food Instrument Redemption and Disposition

5. Price Lists

a. Price list information is routinely collected from vendors:

☐ Yes ☐ No; Explain: _____ (Proceed to item #6)

b. Price list data are collected:

☐ Real Time or Daily via EBT system ☐ Monthly ☐ Quarterly ☐ Semiannually

☐ Other (specify): _____

c. Price data are collected by:

☐ State agency staff

☐ Local agency staff

☐ Reports are submitted by vendors

☐ EBT system

☐ Other (specify): _____

d. The data collected has food prices for (check all that apply):

☐ All brands and sizes of supplemental foods

☐ Highest price supplemental food items within food categories

☐ Most commonly redeemed food items; please specify:

_____

☐ All authorized vendors

☐ A sample of authorized vendors (please describe the sampling method used):

_____

☐ Other (specify): _____

e. The State agency/local agency verifies price data provided by vendors:

☐ During routine monitoring visits

☐ Does not verify on a routine basis

☐ Other (explain): _____

f. The State agency/local agency analyzes price data:

☐ Manually on a routine or as needed basis

☐ On an Automatic Data Processing system and uses it to:

- ☐ Generate estimated food instrument values
- ☐ Help inform WIC staff on vendor selection decisions
- ☐ Develop vendor peer groups
- ☐ Flag individual food instruments that appear to be overcharges
- ☐ Other (specify): _____

6. System to Detect Suspected Overcharges

a. Does the State agency screen for suspected overcharges:

☐ Yes, vendor claims are issued for overcharges

☐ No, the State agency makes price adjustments to food instruments submitted for redemption at amounts above edit limits.

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

D. Food Instrument Redemption and Disposition

- ☐ No, the State agency does not identify overcharges and/or issue claims for overcharges. (Proceed to section *D. Manual Food Instruments*.
- ☐ Other (specify): _____

b. The methods used to identify vendor overcharges are:

- ☐ Comparison of vendor's reported prices to charged prices
- ☐ Comparison of redemption values of vendor with other vendors in the vendor's peer group
- ☐ Comparison of redemption values of vendor with all vendors
- ☐ Other (specify): _____

c. To receive payment or justify and correct a claim for a price adjustment or vendor overcharge, the vendor must: (Check all that apply)

- ☐ Provide an updated price list
- ☐ Provide written justification for the higher prices
- ☐ Provide receipts
- ☐ Other (specify): _____

d. What action(s) is/are taken when a vendor overcharge occurs? (Check all that apply)

- ☐ Routine monitoring or remedial vendor training is conducted
- ☐ Vendor is designated as high-risk and scheduled for compliance investigation
- ☐ Vendor is provided with a written warning of potential sanction for overcharging
- ☐ Vendor is terminated for cause
- ☐ Vendor is sanctioned
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

E. Manual Food Instruments

☐ **DOES NOT APPLY (PROCEED TO NEXT SECTION)**

1. Manual FIs Policy

a. Manual FIs are utilized for the following reasons:

- ☐ New participants
- ☐ Automated FIs not available
- ☐ Mutilated automated FIs
- ☐ Wrong food package on automated FI
- ☐ Wrong dollar amount on automated FI
- ☐ Provide for the special needs of the homeless
- ☐ Food package tailoring
- ☐ Routine monitoring visits (i.e., educational buys) of vendors/farmers
- ☐ Compliance buys of vendors/farmers
- ☐ Special conditions, e.g., disasters
- ☐ Other (specify): _____

b. The State agency requires the following for completing the manual FI register:

- ☐ Participant/proxy signature
- ☐ Local agency staff initials
- ☐ Date of FI pick-up
- ☐ Other (specify): _____

c. Manual FIs have a "Not to Exceed Value" of:

- ☐ Same dollar amount for all manual food instruments $ _____
- ☐ Variable dollar amount depending on type of prescription on manual FI
- ☐ Variable dollar amount depending on participant category on manual FI
- ☐ No limit
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

2. Manual FI Documentation and Disposition

a. A report containing the serial numbers of manual FIs issued by local agencies is sent to the State agency:

- ☐ Not applicable
- ☐ Weekly
- ☐ Monthly
- ☐ Other (specify): _____

b. Local agencies are required to provide documentation to substantiate a valid or invalid certification record for manual FIs issued and redeemed but for which no participant record currently exists by utilizing:

- ☐ Turnaround documents to establish valid certification records
- ☐ Telephone calls to the State/local agency on irregularities
- ☐ Other (specify): _____

c. If the manual FI inventories do not achieve 100% reconciliation of all issued and unissued FIs, the local agency (check all that apply):

- ☐ Reports the FI serial numbers to the State agency

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

E. Manual Food Instruments

- ☐ Provides the FI serial numbers to local vendors/farmers
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

(Provide a copy/citation of the State agency's prescribed procedures if the manual FI inventory cannot be reconciled.)

_____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL
F. Special FI Issuance Accommodations

1. Alternative FI Issuance

a. The State agency has implemented the following FI issuance policy (check all that apply):

- ☐ All participants are required to pick up FIs at the clinic or local agency, except in unusual circumstances
- ☐ Participants/proxies are required to show identification at FI card pick up
- ☐ FI cards are routinely mailed to participants except (1) when the participant is scheduled for nutrition education (including breastfeeding promotion and support activities) or a certification appointment and (2) in areas where SNAP benefits are not mailed, as these areas are known to have experienced high mail issuance losses
- ☐ Benefits are provided electronically to a location such as a grocery store under certain conditions; thus participants may not always pick up FIs at the clinic
- ☐ Other (specify): _____

2. Mailing Policy/Procedures

a. The State agency provides local agencies with guidelines/procedures for mailing FIs to individual participants:

☐ Yes ☐ No

b. Policy requires participants to pick up FIs whenever certification appointment is due or nutrition education (including breastfeeding promotion and support activities) is scheduled:

☐ Yes ☐ No

d. The State agency approves mailing FIs under the following conditions (check all that apply):

	State-Wide	LA with SA Approval	Case by Case
Participant hardship	☐	☐	☐
Travel-related issues	☐	☐	☐
Better clinic management	☐	☐	☐
Participant safety	☐	☐	☐
Participant convenience	☐	☐	☐
Cost effectiveness	☐	☐	☐
Public Health Emergengy	☐	☐	☐
Other	☐	☐	☐

(if other, specify): _____

e. When mailing FIs, documentation of FI issuance is:

- ☐ Signed by the participant at the following FI pick-up/visit
- ☐ Noted "mailed" and initialed/dated by local agency staff
- ☐ Signed and dated by local agency staff after return receipt is received
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL
F. Special FI Issuance Accommodations

3. Participants who receive FIs by mail are sent:

- ☐ One month of FIs
- ☐ Two months of FIs
- ☐ Three months of FIs
- ☐ Other (specify): _____

c. The State agency has implemented the following policy regarding mailing FIs (check all that apply):

- ☐ FIs are sent first class mail *(first class is considered ***regular*** mail)
- ☐ FIs are sent registered mail
- ☐ FIs are sent certified mail
- ☐ FIs are sent restricted mail
- ☐ Return receipt is requested on FIs sent certified mail
- ☐ Envelope specifies, "Do not forward, return to sender" or "Do not forward, address correction requested"
- ☐ Other (specify): _____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

G. Vendor Cost Containment System Certification

If the State agency has authorized or plans to authorize any above-50% vendors, FNS must certify the State agency's vendor cost containment system.The State agency that has not yet received FNS certification must submit a request for certification/recertification that contains the following information.

☐ **DOES NOT APPLY (PROCEED TO SECTION H)**

1. Calculation of new competitive price levels

Describe how the State agency derived or will derive new competitive price levels for regular vendors, which exclude the prices of above-50-percent vendors.

_____

b. The State agency plans to exempt above-50-percent vendors from the calculated competitive price criteria and maximum allowable reimbursement levels.

☐ Yes ☐ No If yes, how many vendors will be exempted? _____

Are these vendors needed to ensure participant access to supplemental foods?

☐ Yes ☐ No

c. The State agency applies peer-group-specific maximum allowable reimbursement levels to food instruments during the food instrument redemption process.

☐ Yes ☐ No If yes, describe the procedure or process used:

_____

3. Describe the State agency's methodology for grouping above-50-percent vendors in its peer group system (i.e., separately or in peer groups with regular vendors) and the criteria the State agency uses to identify comparable vendors for each group of above-50-percent vendors.

_____

4. The State agency plans to exempt *non-profit* above-50-percent vendors from competitive price criteria and maximum allowable reimbursement levels.

☐ Yes ☐ No If yes, provide the following information **in detail** :

a. Describe the reason the State agency has decided to exempt such vendors (i.e., the benefits to the program) and the number of non-profit vendors to be exempted.

_____

b. Describe the reason the non-profit above-50-percent vendors are needed to ensure participant access to supplemental foods.

_____

c. Does the State agency collect shelf prices from non-profit vendors?

☐ Yes ☐ No

d. Describe how the prices of the non-profit vendors compare to those of other vendors in their geographic area that are subject to competitive price criteria and allowable reimbursement levels.

_____

e. Describe how the State agency establishes the level of reimbursement for the non-profit above-50-percent vendors that it has exempted.

_____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

G. Vendor Cost Containment System Certification

6. The State agency plans to exempt *pharmacy* vendors from competitive price criteria and maximum allowable reimbursement levels.

☐ Yes ☐ No

If yes, the State agency has confirmed that these pharmacies provide **only** exempt infant formula and/or WIC-eligible nutritionals foods to program participants.

7. Does the State agency collect shelf prices from pharmacies that provide only exempt infant formula?

☐ Yes ☐ No

8. Complete the table on the following page to demonstrate that the State agency's procedure for establishing and implementing competitive price criteria and maximum allowable reimbursement levels ensures that average payments per food instrument or food item to above-50% vendors do not exceed average payments to regular vendors.

9. Please attach and cite of a copy of the report(s) that the State agency will use to monitor average payments per food instrument to above-50% vendors and regular vendors. If the State agency does not have such a report, describe the State agency's plans to develop and implement a report(s) for monitoring purposes, including the report contents or fields.

_____

2. Maximum allowable reimbursement levels for regular vendors and above-50-percent vendors

a. Explain how the State agency will ensure that average payments to above-50-percent vendors do not exceed average payments to comparable regular vendors.

_____

5. The State agency has fully implemented the competitive price criteria and maximum allowable reimbursement methodologies described in items 1 and 2 above.

☐ Yes ☐ No

If the State agency has not fully implemented the revised competitive price and maximum allowable reimbursement methodologies, describe the current status of this effort and include the timetable for achieving full implementation.

_____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

G. Vendor Cost Containment System Certification

Table 1. Data for WIC Vendor Cost Containment Certification – Overview

Please provide the following information on the regular vendors and the above-50-percent vendors authorized by the State agency as of June 30th. If data are not available through June 30th, the State agency should enter data for the period for which data are available, replacing "June" with the month to which the data are applicable.

1. How many authorized regular vendors did the State agency have as of June 30th? (or month of:_____)	**1.** _____
2. For all authorized regular vendors, what was the total amount of WIC redemptions paid as of June 30?	**2.** _____
3. How many above-50-percent vendors did the State agency have as of June 30th?	**3.**
a. Non-pharmacy above-50-percent vendors	**a.** _____
▪ **Number of *WIC-only* stores**	▪ _____
▪ **Number of other types of above-50-percent vendors (excluding pharmacies)**	▪ _____
b. Above-50-percent pharmacy vendors	**b.** _____
c. Total above-50-percent vendors (sum of a and b)	**c.** _____
4. What was the total amount of redemptions paid to these above-50-percent vendors as of June 30th?	**4.**
a. Non-pharmacy above-50-percent vendors	**a.** _____
b. Above-50-percent pharmacy vendors	**b.** _____
c. Total above-50-percent vendors (sum of a and b)	**c.** _____
5. How many peer groups of above-50-percent vendors (either separate peer groups or groups with regular vendors) has the State agency identified?	**5.** _____
6. How many above-50-percent vendors and regular vendors has the State agency authorized that do <u>not</u> meet competitive price criteria, but are needed to ensure participant access to supplemental foods?	**6. above-50%:** _____ **regular vendors:** _____

Supplemental WIC State Plan Guidance section IX.I - Vendor Cost Neutrality Assessment will be issued in the spring.

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL
H. Home Food Delivery Systems

☐ **DOES NOT APPLY (PROCEED TO NEXT SECTION)**

1. Home Food Delivery Systems Overview

a. Home delivery vendors include (check all that apply):

- ☐ Dairies
- ☐ Private delivery service doing WIC business only
- ☐ Private delivery service
- ☐ Other (specify): _____

b. Participants who receive home food delivery:

- ☐ Are notified in writing of the types and quantities of foods
- ☐ Are issued FIs that they sign and provide to the vendor when the food is delivered
- ☐ Are delivered not more than a one-month supply of supplemental foods at any one time.
- ☐ Indicate by authorized signature on a FI, receipt or signature document, the supplemental foods received
- ☐ Other (specify): _____

c. Supplemental foods may be delivered:

- ☐ Only to the participant of record
- ☐ To the participant of record or proxy of record
- ☐ To any adult at home during time of delivery
- ☐ To anyone at home at the time of delivery
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

2. Documentation

a. The forms verifying delivery are reconciled against vendor invoices:

- ☐ Weekly
- ☐ Monthly reconciliation of the signed FIs or other signed receipts or signature documents from participant or proxies.
- ☐ Other (specify): _____

b. Signatures of participants who sign the food receipt document/FIs are compared to the signature on file.

☐ No ☐ Yes, sample ☐ Yes, 100%

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

☐ **DOES NOT APPLY**

1. Direct Distribution Food Delivery - General

a. The State agency uses a direct distribution food delivery system to:

- ☐ Distribute all of its WIC Program foods
- ☐ Distribute only exempt infant formula and/or medical foods

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

I. Direct Distribution Food Delivery Systems

☐ Distribute (specify): _____

c. Warehouses are operated by:

☐ State agency ☐ Local agency

☐ Other state or public agency ☐ Under contract with a private business

☐ Other (specify): _____

d. Warehouses used for storage of WIC foods are also used to store other FNS program commodities (Please specify which commodities):

☐ Yes ☐ No Specify commodities: _____

ADDITIONAL DETAIL: Food Delivery Appendix and/or Procedure Manual (citation):

_____

2. Food Distribution

a. Foods are distributed to participants:

☐ Grocery store fashion

☐ Pre-packaged

☐ Other (specify): _____

b. Participants receiving food are required to sign:

☐ A register once for all foods received

☐ A register/form for each food item received

☐ Other (specify): _____

c. Foods are distributed to participants:

☐ Monthly

☐ Not to exceed a one-month supply at any one time to any participant

☐ Other (specify): _____

d. Participants with limited access to facilities used for distribution have available to them:

	Services provided by:	
	Local Agency	**Other Sources**
Home delivery	☐	☐
Cost-free transportation	☐	☐
Other	☐	☐

(if other, specify): _____

_____

3. Warehouse Insurance and Inspections

a. Insurance for the warehouse covers (check all that apply):

☐ Theft ☐ Fire ☐ Infestation ☐ Spoilage

☐ Other (specify): _____

IX. FOOD DELIVERY and FOOD INSTRUMENT (FI) ACCOUNTABILITY AND CONTROL

I. Direct Distribution Food Delivery Systems

b. Warehouses are inspected by a public authority responsible for enforcing:

- ☐ Fire safety laws and regulations (specify date and grade of last inspection): _____
- ☐ Sanitation laws and regulations (specify date and grade of last inspection): _____
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix: and/or Procedure Manual (citation):

_____

4.
Monitoring and Inventory Control
Please describe the State agency's methods for ensuring WIC supplemental foods are under proper inventory control (separation of duties for intake and inventory; stock rotation; performance of perpetual and physical inventory duties; reconciliation against issuance records; etc.).

b. The State agency uses:

- ☐ Warehouse not used
- ☐ One central warehouse, deliveries directly to local agencies
- ☐ One central warehouse from which foods are sent to one or more subsidiary warehouses before delivery to local agencies
- ☐ Other (specify): _____

ADDITIONAL DETAIL: Food Delivery Appendix: and/or Procedure Manual (citation):

_____