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



Basic Components of Monitoring

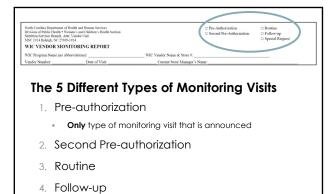
- Ensure eWIC equipment accessibility and compliance with minimum lane coverage criteria
- Review quality of service and treatment of WIC customers



- Does the vendor need follow-up training?
- Assure required minimum inventory is available, fresh and clearly marked with shelf price



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1. Pre-authorization

Retail Vendors complete sections:

5. Special Request

- 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



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

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, <u>do not</u> 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

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
- <u>DO NOT</u> 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

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



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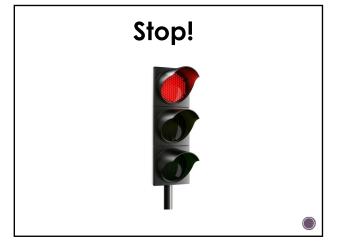
5. Special Request Monitoring

 Must monitor within 7 days when requested by Nutrition Services Branch

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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8 Steps to a Successful Monitoring continued



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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□ Pre-Authorization □ Routine □ Second Pre-Authorization □ Follow-up □ Special Request
Name & Store #:
nat Store Manager's Name:
VII. MONITORING VISIT FINDINGS Complete Section A OR B A. No defletiencies fraud I vanify that this stare was monitored on this date. The findings in this report have been discussed by both expresentatives signing this form.
Authorized Vendor Representative Title Date
WK: Monitor Title Date
signing. I understand that the WKV Monter determined that the store is not in configures with continue WKP Designar apparaments, that they are store as a running of the continue with the continue was a running as a familier of the finding of resconnellines their greenesthering could result in this wore being disputition from the WKP Program. The following is very plus and then finess to covered dedicatesies:
Authorized Vendor Reservantive Title Date
the WK: Mozine, verify that I monitored this viore on this date, formal it not to be in compliance with certain SK: Praymon requirements yes official in this report, and explained to except formal to the complex personal content of the common content of the c
Contact Phone # ()

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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



Section I Pharmacy Services

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

- Yes
- No
- Not Applicable

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Section I Pharmacy Services

- 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 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
 - $\ \square$ 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

Minimum Lane Coverage Guidelines for All Other Vendors

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

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

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

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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

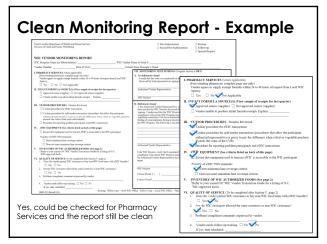
- Yes
 - Vendor meets minimum lane coverage
 - Vendor only has 1 cash register/lane
 - Vendor has 1 POS terminal
- WIC cannot require a vendor to have multiple cash registers/lanes because of their redemption
 - If they had more registers/lanes, up to 4 would have to be eWIC capable

Section V

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



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2021 - 2022 Monitoring Report- Page 2 WK Verder Name and State 19 Verder Name And Million 19 Verder Name

Minimum	Inventory	Requirements
Required Food item,	Size and Quantity	Туре
Fluid Milk	2 gallons	Whole fluid: gallon
FIUIG MIIK	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
Juices	4 containers	Single strength, 64- ounce container
J016-62	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	Туре			
Infant Cereal	6 boxes	8-ounce box			
Infant Formula	8 cans	Gerber Good Start Gentle, Powder, 11.0 to 14.0-ounces			
Iniani Fomilia	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 <u>cannot</u> 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

Inventory Questions

- Do I see the required item?
- Do I see the correct types/varieties?
- Are the items the proper size?
- Do the items have a valid expiration date?
- How many items within date are present?
- Does the number of items meet required minimum inventory?
- Is there a shelf price on the required item?

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Is there a shelf price visible?

Price can be on the:

- Shelf
- Display case
- Item itself- Must be on ALL items



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Documenting Prices WIC Yender Name and Stores: Vender Number: Date: V. NYENTORY OF MIC APPROVED FOODS Required Food Irus. Required Food Irus. Required Food Irus. Note and Quantity Type(s) Typ

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

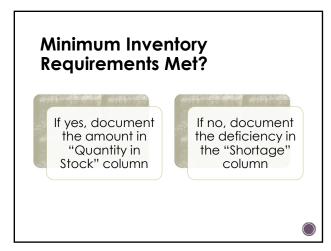
Document quantity of approved items on shelf in the "Quantity In Stock"

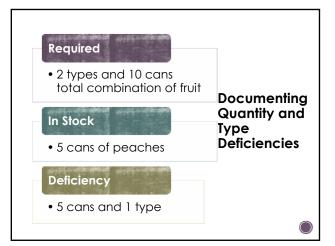
- Items must have valid expiration dates only
- Can use "+" systemmust document "minimum #" then "+"

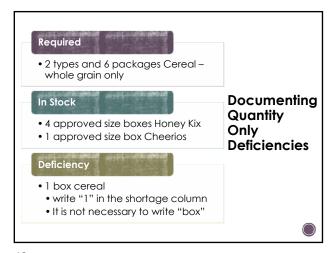
Example:

- 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









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 <u>counted</u> 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 <u>counted</u> 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



2021-2022 Monitoring Report- Page 2 WK Varior Name and Starce Varior Control Special Control Control

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WIC Vendor Nat			ı		Vendor !	Number:	0000		Date: _10/1/2021
Required Food It Size and Quantity	rın,	ROVED FOODS	Type(s) ¹	Quantity in Stock	Current St Price of Product	Marked Yes/No	Shortage (Quantity and/or Type)	Valid Expiration Dates Yes/No/C	Expired Foods: Size, Type, Quantity and Expiration Dates and my Additional Comments
Thirt Milk	2 gallons	Wh	ole fluid: gallon	2+	1.79	Yes	0	Yes.	
	6 gallons	Skim L	ov Fat floid: gallon	(e+	1.79	Yes	-0-	Yes	
Cheese	2 packages	14	pound package	2+	5.39	Yes	0	Yes	
Eggs	2 dozes		A Lorge - White City Cheerios	2+	.99	Yes	0	Yes	
Cereals	6 packages total	Min. size: 12-omees	(plain) lacz	6+	3 99	Yes	0	Yes	
Cerens	combined	(refer to UPC livting) (Whole Grain Only	om Kix 1202	6	3.99	445	-	Yes	
	4 containers		gth, 64-ounce container	4+	3 .39	Yes	-0	Yes	
Inices	4 containers	Single strength, 48-orance container		4	3 .29	Yes	0	Yes	
Dried Peas and Beans	2 packages	1-pound package		2+	1.49	409	0	Yes	
Pennst Botter	2 containers	16 to	18-onnce container	2+	2.19	Yes	0	462	
Infaut Cereal	6 boxes		8-ounce box	(a+	8.49	Yes	-0-	Yes	
Infant Formula	8 caus	Gerber® Good Start® Geatle, Powder, 11.0 to 14.0-onnees		8+	18.99	Yes	0	Ves	
intant romada	4 cans		Soy, Postder, 11.0 to 14.0-onaces	4	17.49	Yes	-0	Yes	
Infaut Fruits and	container 8-6		Gerber, and Poods — Banana Jak	64+a	1.69	Yes	0	Yes .	
Vegetables	ou ounces	1 type fruit and 1 type vegetable	Gerlair, and Roads butternut Squash agk	64 0	1.69	Yes	0	Yes	
Tusa	6 cass	5 to 6-course can		6+	.99	Yes	-0-	Yes	
Rice	2 packages	14 to	16-onnce pockage	2+	1.79	Yes	-0	Yes	
Bread Tortillas	2 loaves og 2 pockages OR 1 loaf and 1 pockage	16-cence lost of bread or package of tertillas		2+	3.19	Yes	0	Yes	
Fruit	10 cans total combined	2 varieties- 14 to 16 owner can without added yagar.	Slived Peaches	10+	0.19	Yes	0	Yes	
	conscios	fits, eds, or salt	Year halves	10+	1.39	Yes		Yes	
Vegetable (Excludes foods in	10 cans total	2 varieties- 14 to 16 ounce can	Green Beans	10+	.69	Yes	0	Yes	
Dried Peas and co Beans category)	combined	without added sugar, fats, or oils	Rects	10	.79	Yes	-	Yes	

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Section VI Quality of Service

- Discuss the question on the report regarding the service the vendor provides to the WIC customer
- Document any problems, complaints or comments the vendor expresses
- Document if the vendor needs follow-up training
- Document 'Yes' or 'No' on the report based on the vendor's answers

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 WIG supplemental foods on the foods or have the prices posted on the shelf or display case.	60 days

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



Checklist

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Vendor Monitoring Assistance

- Sue Cheek (919) 707-5802
 Sue.Cheek@dhhs.nc.gov
- Lakia Jones (919) 707-5747<u>Lakia.Jones@dhhs.nc.gov</u>
- Jasmine Martin (919) 707-5748
 <u>Jasmine.Martin@dhhs.nc.gov</u>
- Heather Todaro (919) 707-5738
 Heather Todaro@dhhs.nc.gov



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