

Vendor Routine Monitoring



1

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



2

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



3

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



4

North Carolina Department of Health and Human Services
Division of Public Health • Women's and Children's Health Section
WIC Vendor Services Branch, Ann. Vendor Unit
SHE: 914 Raleigh, NC 27609-2514

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

WIC VENDOR MONITORING REPORT

WIC Program Name (no abbreviations): _____ WIC Vendor Name & Store #: _____
Vendor Number: _____ Date of Visit: _____ Current Store Manager's Name: _____

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



5

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



6

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



7

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



8

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, **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



9

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



10

4. Follow-up Monitoring

- If a vendor reaches the point of disqualification:
 - **DO NOT** 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



11

5. Special Request Monitoring

- Must monitor within 7 days when requested by Nutrition Services Branch



12

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



13

Stop!



14

8 Steps to a Successful Monitoring

1

Prepare as much of the monitoring report in your office and check for accuracy

2

Take your monitoring "toolbox"

3

Check in with manager and ask for formula receipts

4

Accurately complete Section V, the inventory check, on page 2 of the report.



15

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



19

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.



20

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 21 days
- 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



21

Section III Vendor Procedures

Review the following:

Cashier procedure for eWIC transactions

Cashier procedure for split tender

Procedure for reporting problems with participants and eWIC transactions



22

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



23

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

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

• Up to a total of 4 POS terminals **or** the number of lanes, whichever is less

24

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

25

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?

26

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

27

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 <i>Refer to UPC listing-Whole Grain Only</i>
Juices	4 containers	Single strength, 64- 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

31

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

32

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



33

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?



34

Is there a shelf price visible?

Price can be on the:

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



35

Documenting Prices

WIC Vendor Name and Store#: _____ Vendor Number: _____ Date: _____

V. INVENTORY OF WIC APPROVED FOODS

Required Food Item, Size and Quantity	Type(s)	Quantity in Stock	Current Shelf Price		Storage (Quantity and/or Type)	Valid Expiration Date, Yes/No/C	Expired Foods: Size, Date, Quantity and Expiration Date and any Additional Comments
			Price of Product	Market Yes/No			

- Document the price of WIC items



36

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

EXPIRED



37

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



38

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



39

Minimum Inventory Requirements Met?

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

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



40

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



41

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



42

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



43

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



44

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



45

2021-2022 Monitoring Report- Page 2

WIC Vendor Name and Street: _____ Vendor Number: _____ Date: _____

V. INVENTORY OF WIC APPROVED FOODS

Required Food Item, Size and Quantity	Type(s)	Current Shelf Price			Shortage (Quantity and/or Type)	Valid Expiration Dates Yes/No/C	Expired Foods: Site, Date, Quantity and any Additional Comments
		Quantity in Stock	Price of Product	Market Yes/No			
Fluid Milk	2 gallons	Whole fluid gallon	.	.	.	.	.
Fluid Milk	4 gallons	Skim/Low Fat fluid gallon	.	.	.	.	.
Cheese	2 packages	1 pound package	.	.	.	.	.
Eggs	2 dozen	Grade A Large/White	.	.	.	.	.
Cereals	4 packages (not combined)	2 types: 12 oz. (12 ounces) (not in UPC format) (not in UPC format)	.	.	.	.	.
Juices	4 containers	Single strength, 64-ounce container	.	.	.	.	.
Juices	4 containers	Single strength, 64-ounce container	.	.	.	.	.
Dried Fruits and Beans	2 packages	1 pound package	.	.	.	.	.
Instant Potatoes	2 containers	16 to 16-ounce container	.	.	.	.	.
Instant Cereal	4 boxes	8-ounce box	.	.	.	.	.
Instant Potatoes	8 cans	Goodhart Good Heart® Grade, Powder, 11.0 to 14.0 ounces	.	.	.	.	.
Instant Potatoes	4 cans	Goodhart Good Heart® Soy, Powder, 11.0 to 14.0 ounces	.	.	.	.	.
Instant Fruits and Vegetables	64 ounces	12 oz. (12 ounces) (not in UPC format) (not in UPC format)	.	.	.	.	.
Tuna	6 cans	3 to 6-ounce cans	.	.	.	.	.
Rice	2 packages	14 to 16-ounce package	.	.	.	.	.
Bread/Tortillas	2 items (not combined)	16-ounce loaf of bread or package of tortillas	.	.	.	.	.
Fruit	10 cans (not combined)	2 varieties: 14 to 16 ounce can (not in UPC format) (not in UPC format)	.	.	.	.	.
Vegetables (Includes fruits in Instant Pot and Beans category)	10 cans (not combined)	2 varieties: 14 to 16 ounce can (not in UPC format) (not in UPC format)	.	.	.	.	.

Refer to your current NC WIC Vendor Expiration Guide for a listing of NC WIC-approved foods.
 Rating: White Copy - State WIC Office Yellow Copy - Local WIC Office Pink Copy - WIC Vendor
 ©2015-2021 (Revised 10/21)

46

Clean Monitoring Report Page 2 - Example

WIC Vendor Name and Street: Acme General Vendor Number: 0000 Date: 10/12/2021

V. INVENTORY OF WIC APPROVED FOODS

Required Food Item, Size and Quantity	Type(s)	Current Shelf Price			Shortage (Quantity and/or Type)	Valid Expiration Dates Yes/No/C	Expired Foods: Site, Date, Quantity and any Additional Comments
		Quantity in Stock	Price of Product	Market Yes/No			
Fluid Milk	2 gallons	Whole fluid gallon	2.1	1.99	Yes	⊖	Yes
Fluid Milk	4 gallons	Skim/Low Fat fluid gallon	4.2	1.99	Yes	⊖	Yes
Cheese	2 packages	1 pound package	2.1	1.99	Yes	⊖	Yes
Eggs	2 dozen	Grade A Large/White	2.2	1.99	Yes	⊖	Yes
Cereals	4 packages (not combined)	2 types: 12 oz. (12 ounces) (not in UPC format) (not in UPC format)	6.2	3.99	Yes	⊖	Yes
Cereals	4 packages (not combined)	2 types: 12 oz. (12 ounces) (not in UPC format) (not in UPC format)	6.2	3.99	Yes	⊖	Yes
Juices	4 containers	Single strength, 64-ounce container	4.2	3.99	Yes	⊖	Yes
Juices	4 containers	Single strength, 64-ounce container	4.1	3.99	Yes	⊖	Yes
Dried Fruits and Beans	2 packages	1 pound package	2.2	1.49	Yes	⊖	Yes
Instant Potatoes	2 containers	16 to 16-ounce container	2.2	2.49	Yes	⊖	Yes
Instant Cereal	4 boxes	8-ounce box	6.2	2.49	Yes	⊖	Yes
Instant Potatoes	8 cans	Goodhart Good Heart® Grade, Powder, 11.0 to 14.0 ounces	8.2	15.99	Yes	⊖	Yes
Instant Potatoes	4 cans	Goodhart Good Heart® Soy, Powder, 11.0 to 14.0 ounces	4.1	7.49	Yes	⊖	Yes
Instant Fruits and Vegetables	64 ounces	12 oz. (12 ounces) (not in UPC format) (not in UPC format)	6.2	1.99	Yes	⊖	Yes
Tuna	6 cans	3 to 6-ounce cans	6.2	1.99	Yes	⊖	Yes
Rice	2 packages	14 to 16-ounce package	2.2	1.79	Yes	⊖	Yes
Bread/Tortillas	2 items (not combined)	16-ounce loaf of bread or package of tortillas	2.2	3.19	Yes	⊖	Yes
Fruit	10 cans (not combined)	2 varieties: 14 to 16 ounce can (not in UPC format) (not in UPC format)	10.2	2.19	Yes	⊖	Yes
Vegetables (Includes fruits in Instant Pot and Beans category)	10 cans (not combined)	2 varieties: 14 to 16 ounce can (not in UPC format) (not in UPC format)	10.2	1.39	Yes	⊖	Yes
Vegetables (Includes fruits in Instant Pot and Beans category)	10 cans (not combined)	2 varieties: 14 to 16 ounce can (not in UPC format) (not in UPC format)	10.2	1.69	Yes	⊖	Yes

Refer to your current NC WIC Vendor Expiration Guide for a listing of NC WIC-approved foods.
 Rating: White Copy - State WIC Office Yellow Copy - Local WIC Office Pink Copy - WIC Vendor
 ©2015-2021 (Revised 10/21)

47

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

48

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



49

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.



50

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



51

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



52

Vendor Monitoring Assistance

- Sue Cheek – (919) 707-5802
Sue.Cheek@dhhs.nc.gov
- Lokia Jones – (919) 707-5747
Lokia.Jones@dhhs.nc.gov
- Jasmine Martin – (919) 707-5748
Jasmine.Martin@dhhs.nc.gov
- Heather Todaro – (919) 707-5738
Heather.Todaro@dhhs.nc.gov

53



QUESTIONS

54

Assurance of Civil Rights Compliance

The State Agency hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 20004 et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Title II and Title III of the Americans with Disabilities Act (ADA) of 1990 as amended by the ADA Amendment Act of 2008 (42 U.S.C. 12131-12189) as implemented by Department of Justice regulations at (28 CFR Parts 35 and 36); Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," (August 11, 2000), all provisions required by the implementing regulations of the U.S. Department of Agriculture (7 CFR Part 15 et seq.) and FNS directives and guidelines to the effect that no person shall, on the ground of race, color, national origin, age, sex, or disability, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity for which the Agency receives Federal financial assistance from FNS; and hereby gives assurances that it will immediately take measures necessary to effectuate this agreement.

This assurance is given in consideration of and for the purpose of obtaining any and all Federal financial assistance, grants, and loans of Federal funds, reimbursable expenditures, grant, or donation of Federal property and interest in property, the detail of Federal personnel, the sale and lease of, and the permission to use Federal property or interest in such property or the furnishing of services without consideration, or at a consideration that is reduced for the purpose of assisting the recipient, or any improvements made with Federal financial assistance extended to the Program applicant by USDA. This includes any Federal agreement, arrangement, or other contract that has as one of its purposes the provision of cash assistance for the purchase of food, and cash assistance for the purchase or rental of food service equipment or any other financial assistance extended in reliance on the representations and agreement made in this assurance.



55

USDA Nondiscrimination Statement

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotope, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at <https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-3-2020-2022-508-11-28-17.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

1. **mail:** U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
2. **fax:** (833) 256-1665 or (202) 690-7442; or
3. **email:** program.intake@usda.gov

This institution is an equal opportunity provider.

56
