

## **DEFINITIONS**

### **Above-50 Percent Vendors**

Vendors that derive more than 50-percent of their annual food sales revenue from WIC checks/fruit & vegetable checks, and new vendor applicants expected to meet this criterion under guidelines approved by Food and Nutrition Services.

### **Banking Contractor**

Means the financial institution, under contract with ITCA to provide visual and computer edits of redeemed checks/fruit & vegetable checks.

### **Business Integrity**

Relates to the business honesty of the Vendor's owners, officers or managers.

### **Check**

Means a voucher, check, coupon which is used by a client or caregiver to obtain supplemental foods.

### **Compliance Buy**

A covert, or under-cover, on-site investigation in which program representatives, posing as WIC clients, transact checks/fruit and vegetable check to determine if the Vendor is following WIC Program policies and procedures.

### **Conflict of Interest**

Relates to the standard of ethical conduct in the discharge of a person's duties.

### **Fair Hearing**

The administrative process by which, a Vendor may appeal adverse actions.

### **Fruit & Vegetable Check**

Means a fixed-dollar amount check which is used by a client/authorized caregiver to obtain fresh fruit and vegetables.

### **Civil Money Penalty**

A monetary penalty based on violations of the Contract, the Manual, or Federal statutes or regulations that are not fraudulent may be assessed against the Vendor at the discretion of ITCA if participant hardship would occur if the Vendor was disqualified.

### Geographical area

To reach an authorized vendor the client must not have to:

Rural Areas: Travel in excess of five (5) miles from their home or local agency clinic;

Urban Areas: Travel more than ten (10) blocks radius from their home or the local agency clinic.

### High-Risk Vendor

A Vendor identified as having a high probability of abusing the program through application of criteria mandated by USDA and supplemented by any additional criteria ITCA may choose to apply.

### Inventory Audit

An examination of food invoices or other proofs of vendor purchases to determine if the vendor purchased sufficient quantities of WIC foods to have sold the amounts of such foods for which the vendor has requested payment from the WIC program during a given period of time.

### Limiting Criteria

Standards developed by ITCA through which it determines the maximum number and distribution of vendors it will authorize, it will have no bearing whatsoever on which vendors will be authorized.

### Pattern

Standard developed by ITCA that defines the number of incidences of the same or similar violations that must be documented before sanctions are imposed.

### Routine Monitoring

Overt on-site monitoring during which WIC staff identify themselves to vendor personnel.

### Selection Criteria

Standards mandated by USDA in 246.12(e)(3), and any additional criteria established by the State agency, to select individual vendors for WIC authorization.

### Trafficking

An illegal transaction of exchanging checks/fruit and vegetable checks for cash, firearms, ammunition, explosives, or controlled substances.

### Vendor

A business entity operating an individual retail outlet in a fixed location which provides authorized foods to WIC clients under contract or agreement with the WIC State agency and companies which deliver authorized foods to the residences of clients in geographical areas, at prices specified in contracts or agreements with the State agency.

### Vendor Abuse

Intentional and unintentional actions which violate program regulations or State agency policies and procedures such as those outlined in the terms of the vendor agreement.

### On Cycle Application Process

The process of which vendors apply for authorization and enter into a contract or agreement with the State Agency. (Mass Authorization)

### Off Cycle Application Process

The process of which vendors apply for authorization and enter into a contract or agreement with the State Agency.

### Vendor Overcharge

Intentionally or unintentionally charging a WIC customer more for food than other customers; charging a WIC customer more than the current shelf price or, if applicable, more than the WIC contract price; or charging for food items not received by a WIC customer or for foods in excess of those listed on the checks/fruit & vegetable checks.