

VENDOR MANUAL



Effective October 1, 2020

Inter Tribal Council of Arizona, Inc.
WIC Program
2214 N. Central Avenue, Suite 100
Phoenix, AZ 85004
602-258-4822 main
602-258-4825 fax
www.itcaonline.com/wic

WIC is an equal opportunity provider.

Table of Contents

Contents

| | |
|---|-----------|
| ITCA Contact Information | 5 |
| Section 1: | 6 |
| WHAT IS WIC? | 6 |
| What Is WIC? | 7 |
| Nondiscrimination Statement..... | 8 |
| WIC Programs in Arizona | 9 |
| About ITCA | 10 |
| Role of the Vendor..... | 10 |
| Important Notice about Mail and Email | 10 |
| Section 2: | 12 |
| AUTHORIZATION..... | 12 |
| Authorization | 12 |
| Application Process | 13 |
| Vendor Selection Criteria | 13 |
| Limiting Criteria | 16 |
| Vendor Contract | 17 |
| Purchase and Inventory Record Requirements..... | 17 |
| Record Keeping Requirements | 18 |
| Vendor Training..... | 19 |
| The ITCA WIC Decal | 20 |
| Section 3: | 21 |
| WIC APPROVED FOODS | 21 |
| Available Foods on the WIC Program | 21 |
| Approved and Non-Approved WIC Foods..... | 22 |
| Arizona WIC Programs Food List..... | 23 |
| Approved Product List (APL)..... | 24 |
| Minimum Stocking Requirements | 25 |
| Reduced Minimum Stocking Requirements | 25 |
| ITCA WIC Approved Shelf Labels | 26 |
| ITCA eWIC Lane Signage | 27 |
| Pricing | 28 |
| Section 4: | 29 |
| WIC BENEFITS | 29 |
| WIC Benefits | 30 |
| WIC Food Benefits..... | 30 |
| eWIC card | 31 |
| Section 5: | 32 |
| REDEMPTION PROCEDURES | 32 |
| ITCA eWIC Redemption Procedures | 33 |
| Cashier Transaction Procedures | 34 |
| Balance Inquiry & Receipts..... | 38 |

| | |
|---|-----------|
| Voids | 38 |
| Section 6: | 39 |
| PAYMENTS | 39 |
| Payment Process | 40 |
| Transaction Errors | 41 |
| Payment Adjustments | 42 |
| Section 7: | 43 |
| TRANSACTION DISPUTES & VENDOR CLAIMS | 43 |
| Transaction Dispute Resolution | 44 |
| Vendor Claims | 45 |
| Section 8: | 46 |
| PEER GROUPING SYSTEM | 46 |
| Peer Groups | 47 |
| Section 9: | 49 |
| MONITORING & SANCTION SYSTEM | 49 |
| Vendor Monitoring | 50 |
| Vendor Site Review | 51 |
| Transaction Monitoring Reports | 52 |
| Compliance Buys | 52 |
| Cash Register Receipt Review | 53 |
| Complaints Against Vendors | 54 |
| Test Transactions | 54 |
| Sanction System | 55 |
| Section 10: | 56 |
| CLIENT ACCESS | 56 |
| Client Access & Client Access Criteria | 57 |
| Client Access Criteria | 57 |
| Client Access and Authorization | 57 |
| Client Access Termination and Disqualification | 58 |
| Civil Money Penalty | 58 |
| Section 11: | 59 |
| DISQUALIFICATION & TERMINATION | 59 |
| Contract Termination and Disqualification | 60 |
| State and Local Laws | 61 |
| Withdrawal and Non-Renewal of Contract | 61 |
| Disqualification from SNAP and Other WIC Programs | 61 |
| Stand Beside Device Equipment | 61 |
| Section 12: | 62 |
| APPEAL & ADMINISTRATIVE REVIEW PROCESS | 62 |
| Vendor Appeal and Administrative Review | 63 |
| Appeal / Request for Review | 65 |
| Administrative Review Outcomes | 66 |
| Effective Dates of Adverse Actions | 67 |
| Section 13: | 68 |
| REPORTING CHANGES | 68 |

| | |
|---|-----------|
| Change of Vendor Name, Contact Information, Banking Information, Cash Register, Third Party Processor or Hours of Operation | 69 |
| Change in Ownership | 69 |
| Change in Location | 70 |
| Notice of Change Form | 70 |
| Section 14: | 71 |
| COMPLAINTS | 71 |
| Complaints | 72 |
| Section 15: | 73 |
| USEFUL HANDOUTS | 73 |
| Appendix | 76 |
| Appendix A: Vendor Application | 77 |
| Appendix B: Enrollment Price Survey | 77 |
| Appendix C: Selection Criteria | 77 |
| Appendix D: Infant Formula Supplier List | 77 |
| Appendix E: Vendor Contract | 77 |
| Appendix F: AZ WIC Programs Food List | 77 |
| Appendix G: Request to Submit UPC form | 77 |
| Appendix H: Minimum Stock Requirements | 77 |
| Appendix I: Request for Reduced Minimum Stock | 77 |
| Appendix J: Transaction Dispute Resolution | 77 |
| Appendix K: ITCA WIC Vendor Sanction Schedule | 77 |
| Appendix L: Client Access Criteria | 78 |
| Appendix M: Administrative Review Procedures for Vendors | 78 |
| Appendix N: Notice of Change Form | 78 |
| Appendix O: How To Use WIC Approved Shelf Labels | 78 |

ITCA Contact Information

WIC Vendor Manager

Phone: 602-258-4822

Fax: 602-258-4825

Email: WICVendor@itcaonline.com

Visit our website at:

<http://itcaonline.com/wic/vendor>

You will find information about the ITCA WIC Program and helpful vendor information like the AZ WIC Programs Food List, the APL, WIC Alerts, Annual Training Newsletters, a sample Vendor Contract, Minimum Stock Requirements, this Vendor Manual, and the ability to submit product information for foods to be added to the Approved Product List (APL).

Section 1: WHAT IS WIC?

What Is WIC?

The Special Supplemental Nutrition Program for Women, Infants, and Children, better known as the WIC program, is a nutrition program established by USDA. The WIC program serves to safeguard the health and well-being of our nation's women, infants, and children up to age 5 who are at nutritional risk during critical growth periods. This mission is carried out by providing nutritious foods to supplement diets, information on healthy eating including breastfeeding promotion and support, and referrals to health care. Eligibility for the Program is based upon nutritional risk, residency and income criteria as established by USDA. The WIC Program is available to eligible clients without regard to race, color, national origin, gender, age or disability.

WIC Program clients are assessed by paraprofessional staff and provided with nutrition counseling. Clients are prescribed supplemental foods that meet their specific nutritional needs. WIC approved foods are high in protein, fiber, vitamins and minerals such as calcium, iron and vitamin C. WIC clients receive supplemental foods through an electronic benefits format, prescribed foods can be redeemed for WIC approved foods at store locations authorized to accept WIC benefits.

WIC supplemental foods have shown to provide a wide range of positive outcomes when consumed. They include longer, safer pregnancies, with fewer premature births and infant deaths, improved dietary outcomes for infants and children, improved maternal health, and improved performance at school, among others. In addition to health benefits, WIC clients showed significant savings in healthcare costs when compared to non-clients. WIC serves about half of all infants born in the United States. Additionally, WIC clients support the local economy through their purchases.

WIC program assistance is not limited to providing supplemental foods to clients. Clients have access to a number of resources, including health screening, nutrition and breastfeeding counseling, immunization screening and referral, substance abuse referral, and more.

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-0508-0002-508-11-28-17Fax2Mail.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; or
2. **fax:**
(833) 256-1665 or (202) 690-7442; or
3. **email:**
program.intake@usda.gov

This institution is an equal opportunity provider.

WIC Programs in Arizona

Within the geographic boundaries of Arizona there are three (3) separate WIC Programs, the Arizona Department of Health Services WIC Program, the Navajo Nation WIC Program and the Inter Tribal Council of Arizona (ITCA) WIC Program. There are differences between the ITCA WIC Program and the other two WIC Programs that operate in Arizona. Each has its own set of vendor rules and regulations, however, the programs may share the same vendors. All three programs have worked together to coordinate efforts in WIC benefit redemptions and authorizing foods. Through these efforts, the three programs have developed the Arizona WIC Programs Food List that reflects the authorized foods for all three programs.

This Vendor Manual relates solely to the ITCA WIC Program.

Contact information for the other two WIC Programs in Arizona:

Arizona Department of Health Services

WIC Program

150 N. 18th Ave., Suite 310

Phoenix, AZ 85007

(800) 252-5942

(800) 2525-WIC

<http://azdhs.gov/azwic/>

Navajo Nation WIC Program

P.O. Box 1390

Window Rock, AZ 86515

(928) 871-6698

About ITCA

The Inter Tribal Council of Arizona was established in 1952 to provide a united voice for tribal governments located in the state of Arizona to address common issues of concern. On July 9, 1975, the council established a private, non-profit corporation, Inter Tribal Council of Arizona, Inc. (ITCA) under the laws of the state of Arizona to promote Indian self-reliance through public policy development. ITCA provides an independent capacity to obtain, analyze and disseminate information vital to Indian community self-development. The goal of ITCA and its commitment to the member tribes is to ensure the self-determination of Indian tribal governments through their participation in the development of the policies and programs which affect their lives.

There are currently twenty ITCA member tribes across the state of Arizona. Among these twenty tribes there are 12 ITCA WIC local agencies serving clients.

Role of the Vendor

WIC Vendors help to make the ITCA WIC Program work effectively. Each month, WIC clients receive WIC foods designed to meet their nutritional needs. The foods issued to the client are specially selected for their nutritional value. Offering quality customer service is important. If a WIC customer makes a mistake, such as purchasing the wrong milk, give them assistance. Kindly explain any discrepancies in their purchase.

The Vendor's role is vital to the success of the WIC program because the nutritious WIC foods are designed to promote the healthiest possible birth outcomes for women and infants, as well as the growth and development of children.

The WIC Vendor may also find that the WIC redemptions make a substantial contribution to food sales. Since the ITCA WIC Program allows WIC clients to select their choice of vendors from an authorized ITCA WIC Vendor list. Most clients select a Vendor that provides their WIC and non-WIC shopping needs. According to the Center on Budget and Policy Priorities (CBPP), WIC provided an average value of \$61.24 in food per participant per month, and WIC purchase totaled \$3.9 billion dollars in fiscal year 2016. Not only is WIC an incredibly helpful and successful program for families, WIC is good for business and the economy. The money put into the economy in food spending by WIC has a multiplier effect when considering the impact on agriculture and the grocery industry.

Important Notice about Mail and Email

ITCA sends important information that can assist you (as a Vendor) in maintaining compliance with the ITCA Vendor Contract by email and certified mail with return receipt requested. Therefore, it is essential that you accept/pick up all certified mail sent to you by ITCA as well as open and read all emails sent to you from ITCA. Examples of items that may be sent to you via email and certified mail are contract related items, letters, WIC Alerts, sanctions, and training notices.

Section 2: AUTHORIZATION

Authorization

ITCA is responsible for authorization of each store before the store may participate in the ITCA WIC Program. ITCA will authorize a limited number of vendors. A limited number and appropriate distribution of vendors will ensure that vendors are accessible to clients and that program staff can effectively monitor stores for vendor compliance. Vendors must submit an application and meet the selection criteria to be considered for authorization with the ITCA WIC program. Upon authorization a vendor enters into a contract with the ITCA WIC program.

Application Process

Vendors are required to submit an application to be approved by the ITCA WIC Program, prior to entering into a vendor agreement with ITCA WIC and becoming authorized to accept ITCA WIC benefits. There are two processes for submitting a vendor application, the New Application Process and the New Contract Cycle Process.

The New Application Process is used for vendors who submit an application after the fixed contract term has started, vendors who have never been authorized to accept ITCA WIC benefits, and vendors who are not in a valid contract with ITCA WIC.

The New Contract Cycle Process is the process used for authorized vendors who wish to continue authorization by entering into a new vendor contract for the next fixed contract period upon expiration of their current contract.

Vendors must fill out the vendor application completely and submit all required documents to ITCA, partial and incomplete applications are not processed. The vendor application consists of the following materials:

- Vendor Application (Appendix A)
- Enrollment Price Stock Survey (Appendix B)
- Infant Formula Purchase Invoice
- Conflict of Interest Form

The vendor application is reviewed to determine if the vendor meets the selection criteria (listed below) and receives/participates in the following prior to authorization:

- Initial Vendor Site Review
- Register Certification
- Authorization Training

Vendor Selection Criteria

Vendors must meet all of the authorization selection criteria (Appendix C), at initial authorization and throughout the contract term, including changes to the criteria that occur during the contract period. Failure to meet any of the Selection Criteria results in denial of a vendor's application or termination of the Vendor Contract.

Selection criteria must be met completely before the store is authorized to accept ITCA WIC benefits and must be maintained throughout the contract period, including compliance with any changes to selection criteria during the authorization period. The selection criteria for the ITCA WIC Program are listed below and can also be found as Appendix C Selection Criteria. As determined by ITCA WIC, vendors that are needed for client access are exempt from some of these selection criteria, for more information see Section 10: Client Access in the vendor manual.

1. Register Requirements

For initial authorization and throughout the contract, the vendor must be able to demonstrate that their Point of Sale (POS) can:

- Accept WIC EBT Purchases
- Obtain a benefit balance
- Complete a WIC transaction accurately and securely
- Exchange updated files with the ITCA WIC Program EBT provider
- Obtain Internet access
- Accept coupons, in store promotions, and vendor discounts within a WIC transaction
- Accommodate split tender when completing a WIC fruit and vegetable transactions

Client access stores may receive support from the ITCA WIC Program to obtain a WIC only stand beside device to become EBT capable.

2. Minimum Stock Requirements

Minimum inventory, per the Minimum Stock Requirements must be maintained by the vendor at all times throughout the contract period. Only the brands, types and/or package sizes of foods listed in the Arizona WIC Programs Approved Food List contribute to the minimum inventory required.

3. Competitive Price Evaluation

The vendor must be competitively priced prior to and throughout the authorization period. Competitive price is evaluated by comparing the applicant's prices to the pricing of the applicant's expected peer group prices. The price evaluation also serves as a means to ensure competitive pricing during the contract period.

4. Accessibility to WIC Clients

- The store must be located near or in a neighborhood where WIC clients live.
- The vendor must be open for business at least 8 hours per day, 5 days per week.
- The vendor must be in compliance with the applicable provisions of the American's with Disabilities Act (ADA) of 1990.

5. Volume of WIC Business

The Vendor must average at least \$250.00 in WIC transactions per month, on an annual basis. A vendor not meeting the volume threshold for two consecutive years is evaluated to determine if there is a need for that vendor.

6. SNAP Authorized

The vendor/applicant must be SNAP authorized.

7. Sanitation

The vendor/applicant must be in compliance with all state, federal, municipal and local sanitation standards.

- The store shall be clean and free of rodents, insects and other pests. The vendor shall keep freezer(s) at 0 degrees Fahrenheit (-18 degrees Celsius) and refrigeration equipment at or below 40 degrees Fahrenheit (4 degrees Celsius).
- The vendor must maintain and display a current license, retail establishment Health Operating Permit, or I.H.S report (Exceptions may be made for stores on tribal lands).

The Vendor must also notify ITCA immediately and in writing should the current Health Code Operating Permit and any required license or certificate be denied, suspended or revoked. If ITCA becomes aware that the Vendor has failed to maintain sanitation or food safety standards, the proper regulatory office may be notified.

8. Conflict of Interest

Any conflict of interest must be disclosed to ITCA for conflicts of interest between vendors, the ITCA state agency, or local agencies. Individuals with conflicts of interest must recuse themselves from participating in any manner in decisions related to the vendor contract.

- A conflict of interest typically arises when a public official or employee finds that the outcome of a decision may impact a personal financial interest.

9. Business Integrity

ITCA shall deny vendor authorization if, during the past 6 years, the vendor/applicant or its owners, officers, or managers have been convicted of crimes or had a civil judgment entered against them for any activity indicating a lack of business integrity. Activities indicating a lack of business integrity include, but are not limited to, fraud, antitrust violations, embezzlement, theft,

forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, or obstruction of justice.

10. Current SNAP Disqualification or Civil Money Penalty for Hardship

The ITCA WIC Program may not authorize a vendor applicant that:

- Is currently disqualified from SNAP.
- Has been assessed a SNAP civil money penalty based on hardship, for which the disqualification period that would have otherwise been imposed has not expired.
- Is in an imposed SNAP disqualification period that has not yet expired.

If the denial for authorization results in inadequate client access, the state agency may consider the applicant under special circumstances.

11. Current WIC Disqualification or Civil Money Penalty for Hardship

The ITCA WIC program may not authorize a vendor applicant that:

- Is currently disqualified from another WIC program.
- Has been assessed a WIC civil money penalty for which the disqualification period that would have otherwise have been imposed has not expired.
- Is in an imposed WIC disqualification period that has not yet expired.
- If the denial for authorization results in inadequate client access, the state agency may consider the applicant under special circumstances.

12. Wholesaler List / Infant Formula

The vendor must only purchase formula from the list of infant formula wholesalers, distributors, retailers, and infant formula manufacturers provided by ITCA.

13.A 50 Vendors

For-profit vendors/vendor applicants that derive or are expected to derive more than 50% of their annual food sales revenue (A 50) from the sale of supplemental foods obtained from WIC transactions including all WIC programs are terminated/denied from authorization unless the vendor is needed to ensure client access. Newly authorized vendors are monitored 6 months after authorization to ensure that they are not above 50% Vendors.

14. ACH Payments

Vendors must have a bank account for accepting ACH payments.

15. Email

Vendors must maintain an email address to be used for administration of the Vendor Agreement.

Limiting Criteria

The ITCA WIC program limits the number of vendors that are selected for authorization in order to provide effective management and monitoring of compliance of the authorized vendor, while providing adequate client access. Prior to authorization vendors are evaluated to determine if they are needed in the geographic area they are located. A limited number of chain stores and independently owned stores are authorized within a one mile radius.

Vendors that are within close proximity to each other are mapped to determine if they are within a one mile radius of each other. If there are multiple vendors seeking authorization within a one mile radius, the vendors with the lowest combined overall prices for authorized WIC foods are selected for authorization. Chain stores and independently owned stores are evaluated separately, meaning independently owned store pricing is not compared to chain store pricing.

Vendor Contract

ITCA ensures that all participating Vendors enter into a written contract (“Vendor Contract”). The Vendor Contract must be signed by a representative who has the legal authority to obligate the Vendor. The Vendor Contract (Appendix E) and this Manual explain the rights and responsibilities of the Vendor and the ITCA WIC Program. Neither the Vendor Contract nor this Vendor Manual constitutes a license or a property interest.

The Vendor Contract is a fixed time period of three Federal Fiscal Years, beginning October 1 and ending on September 30. A vendor may enter into a vendor contract anytime within the three year period between October 1st and September 30th, all vendor contracts end on September 30th. For example, the current vendor contract started on October 1, 2018 and expires on September 30, 2021, a vendor may apply at any time prior to the expiration of the contract on September 30, 2021. Neither ITCA nor the Vendor has an obligation to renew the Vendor Contract.

The purpose of the Vendor Contract and this Vendor Manual is to provide retail outlets for WIC clients and to provide guidelines for both the Vendor and ITCA. It is the responsibility of the Vendor to designate a person who will be responsible to ensure Vendor compliance with the terms of the Contract and this Vendor Manual. The owner or designated representative is responsible for accepting in-store training, providing training to all cashiers and other employees who handle WIC transactions, providing special or additional training to employees at the request of ITCA. The Vendor is held accountable for the actions or inactions of its employees.

Purchase and Inventory Record Requirements

Vendor purchase records must reflect the name and address of the supplier, distributor, wholesaler or manufacturer, the date of the purchase, list of the items purchased, size, stock number, quantity and the unit price (Handwritten invoices are not acceptable).

Vendors must only purchase authorized infant formula from sources on ITCA's list of infant formula manufacturers, wholesalers or distributors (Appendix D).

Sales receipts for WIC authorized foods (other than infant formula) purchased at retail establishments (for resale by the vendor) must include the name and address of the retail establishment, the date of the purchase, a description of the exact item(s) purchased (e.g. 12 oz. box of Total Cereal), the unit price of the items, and the total amount purchased. Receipts that do not completely describe the actual item purchased must have codes that can be verified by contacting the distributor or retailer at which the item(s) were purchased. All receipts from purchases at retail establishments must be machine dated by the establishment. Hand or manually dated retail store receipts are not acceptable. Affidavits, Statements of Fact, other written statements, or oral statements shall not be accepted as evidence of inventory. Only purchase records or retail receipts as described above in this section shall be accepted and constitute evidence of inventory.

Record Keeping Requirements

Vendors must maintain program related records and records relating to WIC transactions, for a period of three years and five months from the vendor contract expiration date, and must be provided to ITCA upon request. Records that are required to be kept for three years include the following:

- Inventory records showing all wholesale and retail purchases
- Invoices for purchase of WIC foods
- State and federal tax returns
- Other records that are necessary to support the quantity of foods and prices charged
- Records relating to WIC transactions
- Shelf price records
- Financial records
- Supplemental Nutrition Assistance Program (SNAP) sales

A vendor's inventory records may be used to audit the vendor to determine if contract violations have occurred. These records may also be used to determine the amount of money owed to ITCA in the event of any improper WIC transactions or other program violations related to inventory. Vendors authorized to accept WIC benefits are subject to audit by the WIC state agency they are contracted with, and additionally subject to audit by the U/S/ Department of Agriculture. In the event of an audit, vendors must provide ITCA, or U.S. Department of Agriculture, access to their facility and provide access to records associated with WIC transactions and other documentation needed to verify vendor compliance with program rules and regulations at the time of the audit.

In addition to purchase and receiving records, vendors must keep any and all records related to disputes, litigation, and financial claims imposed upon the vendor for program violations. These records must be kept for a period of three years and five months from the contract expiration date or until the dispute is resolved, whichever is later.

Vendor Training

All new, current, and previously authorized Vendors must attend the mandatory training session scheduled by ITCA anytime an application is submitted for authorization. A vendor must submit a new application for every contract cycle, or every three years, whichever is sooner (application cycle). A management representative or his/her designee who is responsible for ITCA WIC Program compliance at that location must attend the training. In addition to the management representative, other representatives may attend the mandatory training and function as training liaisons for that location's site. The additional store representatives may not be a substitute for the management representative.

If a vendor attended training in-store, mandatory or voluntary training, in a previous or current Contract cycle, the vendor must still attend the mandatory training session for the new application cycle.

In addition to the mandatory interactive training at the time of application, each vendor must be trained yearly. Annual training usually consists of sharing information through an Annual Training Newsletter and may include other methods.

Annual training conducted in the form of a newsletter is mailed to vendors by certified mail. Vendors are **required** to accept all mail from the ITCA WIC Program. Failure to accept mail results in a failure to participate in the required annual training.

Training Topics:

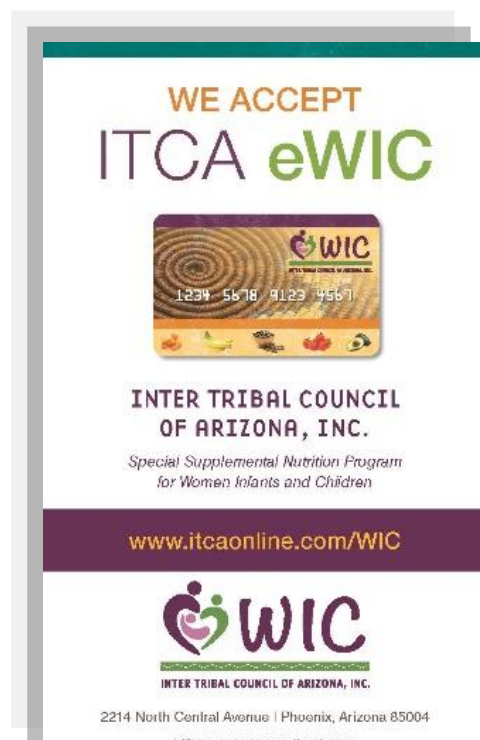
New and continuing vendors receive training on the following topics:

- Purpose of the WIC program
- Vendor's role
- Vendor contract and authorization
- Selection Criteria
- Change of ownership guidelines
- Minimum stock requirements of WIC approved foods
- Purchasing infant formula only from ITCA's authorized list
- Authorized ITCA WIC foods
- Procedures for transacting and redeeming WIC benefits
- Procedures for daily settlement and reconciliation
- File handling requirements
- Procedures for use of incentive items
- Client fraud and abuse
- Client's civil rights

- Vendor complaint process
- Vendor training
- Sanction Schedule system
- Compliance monitoring
- Termination
- Vendor administrative reviews and appeals
- Record keeping requirements
- Reporting changes
- Policy and procedure updates since the last training

The ITCA WIC Decal

The purpose of the ITCA WIC window decal is make it easy for WIC clients to identify a store as an authorized ITCA WIC Program Vendor. The window decal must be posted in a location that is visible to customers at the entrance to the store. ITCA provides your store with window decals at the beginning of each contract period. Vendors must use the signage provided by ITCA, vendors are not allowed create or use any other “WIC” signage unless the vendor is authorized by another WIC program. An additional supply may be requested by contacting the ITCA WIC Vendor Manager.



Section 3:

WIC APPROVED

FOODS

Available Foods on the WIC Program

WIC foods are carefully selected to meet certain nutritional requirements. These foods help meet the nutritional needs of the women, infants and children served for optimal growth and

development and to prevent diseases later in life. For this reason, the ITCA WIC Program does not allow the substitution of unauthorized food items by vendors or WIC clients. Here are the foods that WIC clients may receive:

- | | | |
|-------------------------------|--------------------------------------|-----------------------------|
| ▪ Milk | ▪ Tofu | ▪ Chunk Light Tuna |
| ▪ 100% whole wheat bread | ▪ Fresh or frozen fruit & vegetables | ▪ 100% Whole wheat pasta |
| ▪ Eggs | ▪ 100% juice | ▪ Sardines |
| ▪ Peanut butter | ▪ Cheese | ▪ Infant cereal |
| ▪ Canned beans | ▪ Corn tortillas | ▪ Infant formula |
| ▪ Dry beans, peas, or lentils | ▪ 100% Whole wheat tortillas | ▪ Infant fruit & vegetables |
| ▪ Soy milk | ▪ Brown rice | ▪ Infant food meats |
| ▪ Pink Salmon | ▪ Yogurt | ▪ Cereal |

Approved and Non-Approved WIC Foods

The Arizona WIC Programs Food List (Appendix F) contains types and brands of foods that are allowed by the ITCA WIC Program. It also indicates those types and brands of foods that cannot be purchased. The Arizona Department of Health Services, Navajo Nation and the ITCA WIC Programs share the same food list and each have differences in authorized foods detailed within the food list. Vendors who are authorized by multiple WIC programs should familiarize themselves with the differences in authorized foods. To view all available approved foods, please refer to the current food list. The AZ WIC Programs Food List is available upon request from the ITCA WIC vendor manager, and is also available on the ITCA website: itcaonline.com/itca-wic-authorized-foods/.

WIC Programs select specific types and brands of foods that best meet the nutritional needs of their clients, are readily available, cost-effective and acceptable to clients. If there are any changes or updates to the food list, vendors are notified in advance.

ITCA WIC vendors and clients may also use the WIC Shopper App to determine which foods are eligible for purchase with ITCA WIC benefits. The WIC Shopper App allows the user to scan foods to determine if the food is in the Approved Product List (APL). The WIC Shopper App is a free mobile application that can be downloaded from your app store.

Arizona WIC Programs Food List



Approved Product List (APL)

The Approved Product List (APL) is an electronic file that contains the UPCs for all food items approved by WIC for purchase. The APL file is made available for vendors to download to their Point of Sale (POS) systems daily.

The APL file plays a vital role in the eWIC transaction process and **must** be downloaded to the vendors POS every 24 hours, or every day the vendor is open for business.

Vendors are responsible for reporting authorized WIC foods that are not in the APL. If a vendor suspects that a particular food is WIC allowable but is not showing as an approved food in the APL, the vendor needs to report the food to ITCA. Foods can be reported by using the Request to Submit UPC form (Appendix G), emailing WICUPC@itcaonline.com, or by calling the ITCA WIC Program. The Request to add UPC form can be completed and submitted one of the following ways:

| Mail: | Fax: | Email: |
|---|----------------|-----------------------|
| ITCA WIC Program 2214 N. Central Avenue Phoenix, AZ 85004 | (602) 258-4825 | WICUPC@itcaonline.com |

Minimum Stocking Requirements

ITCA has established minimum stocking requirements for WIC foods frequently issued to clients. These foods must be maintained by the Vendor at all times. The minimum quantities and varieties required are outlined in the Minimum Stocking Requirements document (Appendix H). The purpose is to ensure that the Vendor is able to fully redeem WIC client benefits.

All Vendors are required to maintain the minimum quantities and variety of WIC foods listed in the minimum stocking requirements, either on its shelves or stored onsite. Minimum stock requirements must be maintained from the date the application is submitted and throughout the entire contract period. Failure to meet the minimum stocking requirements at any time throughout the contract period may result in termination of the Vendor Contract.

Reduced Minimum Stocking Requirements

A Vendor may request a reduction in the quantities and varieties of foods within the minimum stock requirements by submitting the Request for Reduced Minimum Stock form (Appendix I). The vendor must outline the reasons why the WIC minimum stocking requirements should be reduced and the specific items(s) that the Vendor is requesting an exception for along with proof of stocking the food item(s) for the previous six months. ITCA reviews the request and notifies the Vendor by mail, fax, or email of the outcome of their request. If approved, ITCA sends a signed copy of the Request for Reduced Minimum Stock form to the vendor. The granted minimum stocking exception may be revoked by ITCA at any time. If revoked, ITCA sends the Vendor a written notice of the revocation and the Vendor has two weeks to meet the standard minimum stocking requirements. An exception to minimum stock is granted for one contract period. Exceptions to minimum stocking requirements need to be re-applied for when a new contract period begins.

ITCA WIC Approved Shelf Labels



The ITCA WIC Approved Shelf Labels are used to allow WIC shoppers the ability to identify WIC approved food items to make their WIC shopping experience efficient and easy. WIC Approved Shelf Labels must only be used to identify authorized WIC foods on store shelves.

Vendors must only use the shelf labels provided by WIC and must not make their own shelf labels or use shelf labels made by food manufacturers or distributors to identify WIC approved items.

The ITCA WIC Shelf Label may be put on the shelf under a WIC approved food item. The shelf label should never be used to put on an actual food item.

If you are a vendor who is also authorized to accept the Arizona WIC Program benefits, you may use their WIC Approved labels as your primary shelf label to label authorized food items in your store.

In addition: Vendors must place a label for each WIC approved food item in the same category. You cannot use the WIC Approved shelf labels on only one or two items, you must place the labels on all WIC approved items in the same category.

For example: In the category for WIC Approved juices: If you place a WIC Approved shelf label on Langers 64 ounce shelf stable apple juice, you must then use the WIC Approved shelf labels to identify all other WIC approved juices.

Instructions for how to use WIC Approved shelf labels can be found in the appendix (Appendix O).

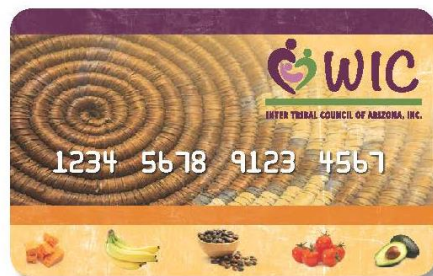
ITCA eWIC Lane Signage

The ITCA WIC Program will provide vendors with lane signage to indicate which lanes have registers that have the ability to accept eWIC. Lane signage is required for vendors who have multiple registers at their location but only one or a few registers that are capable of conducting eWIC transactions.

Vendors must only use lane signage provided by WIC to indicate which lanes accept WIC benefits and may not use lane signage made by the vendor, food manufacturers or distributors.

The vendor will put the lane signage in an area that is visible to WIC customers prior to choosing a lane. The lane signage can be attached to other lane indicators or affixed to any stationary object at the lane entrance.

ITCA eWIC
ACCEPTED IN THIS LANE



To request ITCA WIC Approved stickers, decals, or lane signage, please contact:

ITCA WIC Vendor Manager

Phone: 602-258-4822

Fax: 602-258-4825

Email: WICVendor@itcaonline.com

Pricing

The Vendor must clearly mark the price of the WIC approved foods either on the product's container or on the shelf with the product. When marking foods with a price, do not cover the expiration dates.

The Vendor agrees to charge all WIC clients the same or lower prices as non-WIC customers.

If the Vendor's store policy allows the acceptance of manufacturers' coupons, the Vendor must allow WIC customers to use manufacturers' coupons and provide promotional sales during a WIC transaction. The coupon amounts must reduce the cost to the program and be reflected in the final price requested in the redemption record and on the WIC transaction receipt. Vendor shall not give cash value or change for WIC items purchased with WIC benefits.

The Vendor may provide home delivery of authorized food items to WIC clients only if there is no charge for this service and it is provided to all other customers at no charge. Home delivery of authorized food items must be approved by the ITCA WIC program prior to implementation by the vendor.

All authorized vendors are required to be competitively priced. ITCA compares prices charged by other stores of a similar type and in similar geographic locations to determine the reasonableness of the requested price to ensure prices are competitive with other stores in the vendor's peer group.

ITCA may make price adjustments to the purchase price on transactions submitted by the Vendor for reimbursement to ensure compliance with competitive price requirements. ITCA may also make price adjustments to ensure compliance with maximum allowable reimbursement levels by peer group.

Section 4:

WIC BENEFITS

WIC Benefits

WIC clients and caregivers are issued food benefits directly into their family WIC electronic benefits account. The food benefits are accessed using the ITCA eWIC card. Clients are given a benefits food list to show the balance available in their eWIC account at the time of benefit issuance. WIC clients can also obtain a balance of their WIC foods in the store by conducting a balance transaction. The interactive voice response (IVR) phone number on the back of the eWIC card and the WIC Shopper App are other resources available to clients for checking their account balance. Vendors must allow WIC clients to obtain their account balance using the register in the store at no cost. Vendors must train cashiers on the procedure for obtaining a WIC benefit balance. The benefits list and the balance receipt will show the date that benefits expire. All benefits expire at midnight (local time). Benefits are valid for a period of 30 days and must be accepted on or after the first date of use and not accepted after the last date of use. Only foods issued to the client may be redeemed. No substitutions are allowed.

WIC Food Benefits

WIC benefits consist of WIC Approved foods listed in the AZ WIC Programs Food List (Appendix F). Benefits are issued at a food category and food subcategory level and use a unit of measure for each food. For example: Yogurt is a food category. Within the yogurt category there are subcategories of low fat/ nonfat yogurt and whole milk yogurt. The unit of measure for each of these subcategories is Container (CNT).

WIC benefits are shown on transaction receipts, benefit balance receipts and the benefits list issued at the clinic. Benefits are listed by quantity, unit of measure, and subcategory. For example, a benefits list with 1 unit of cheese, 1 unit of eggs, 2 gallons of fat free milk, and 9 dollars of fresh and frozen fruits and vegetables is listed as:

- 1 PKG Cheese
- 1 DZN Eggs
- 2 GAL Fat Free Milk
- 9 \$\$\$ Fresh and Frozen Fruits and Vegetables

Fruit and vegetable benefits are issued as a dollar value, a WIC client may use another form of payment for purchases that exceed the dollar value issued. Cash back or store credit is not allowed.

eWIC card

The ITCA eWIC card is pictured below. The card contains a sixteen digit card number and the ITCA WIC logo in the upper right hand corner. Each WIC program has a different card associated with their program. The back of the card contains information for the cardholder to obtain their benefit balance. The customer service number is used to provide assistance with setting or changing the PIN, obtaining a benefit balance, and reporting a card lost or stolen.

If an ITCA eWIC card is found the card may be destroyed or sent to:
2214 N. Central Ave.
Phoenix, AZ. 85004



Section 5: REDEMPTION PROCEDURES

ITCA eWIC Redemption Procedures

ITCA relies on its Vendors to ensure that benefits are redeemed appropriately following the program rules. Store personnel must treat WIC clients with the same courtesies as other customers.

Local WIC clinic employees educate WIC clients on the following procedures:

- How to use the WIC benefits
- How to read their benefits list
- How to select only authorized foods listed on WIC benefits
- Which vendors are authorized to accept ITCA WIC benefits

Offering quality customer service is important. If a WIC customer makes a mistake, you should offer whatever assistance is needed to ensure the WIC customer purchases the correct items and explain any problems with their purchase.

During an eWIC transaction, scanned items are compared to the balance available in the family account, and then compared to the Approved Product List (APL) within the Point of Sale (POS) device. Food items that are not in the electronic benefits account or not in the APL are not removed from the benefits account and are not paid for with WIC benefits.

Cashiers must run a balance inquiry if requested by the WIC customer, Vendors must ensure that cashiers are trained on the procedures for obtaining a WIC benefit balance, the procedures will vary depending on the POS system.

Cashiers must be familiar with the authorized ITCA WIC Program foods to identify items that are allowable for purchase with WIC benefits. The AZ WIC Programs Food List, and the Authorized Product List (APL) contain a list of authorized foods. The AZ WIC Programs Food List and the APL are available on the ITCA WIC website, the AZ WIC Programs Food List is also available on the WIC Shopper App and available from ITCA upon request.

Cashier Transaction Procedures

The cashier shall:

1. Treat WIC customers with the same courtesies as other customers.
2. Ask the WIC customer to separate their WIC foods from other foods, if the POS system requires WIC purchases to be separated.
 - A vendor who uses an integrated POS system will most likely not need WIC customers to separate their WIC foods for a separate transaction.
 - Vendors who use a WIC only stand beside device will need to separate the WIC foods from other groceries to process the WIC transaction.
 - If using a WIC only stand beside device, the WIC customer swipes the eWIC card and enters the PIN at the beginning of the transaction.
3. Scan each item using the UPC attached to the item.
 - Scanned items are compared to an Authorized Product List (APL) and the electronic benefits account to determine if the product is WIC authorized and to confirm there are adequate benefits for the items scanned. Only foods that are WIC authorized and in the electronic benefits account are paid for by WIC and removed from the account.
 - If a scanned food item has a UPC that is in the APL, and the electronic benefits account has benefits corresponding with the scanned item, the register accepts the item as WIC allowable. If a food item has a UPC that is not within the APL, or the electronic benefits account does not have corresponding benefits for the scanned item, the POS system does not allow the item to be purchased with WIC benefits.
 - Note: Overrides are not allowed and not possible in an eWIC transaction.
4. Allow the WIC customer to purchase some or all the benefits in their account during a transaction.
5. If the Vendor's store policy allows the acceptance of manufacturers' coupons, the Vendor must allow WIC customers to use manufacturers' coupons.
6. Allow the use of coupons, and the purchase of promotional or sale items such as:
 - Cents off coupons
 - Single, double, triple, quadruple and other store coupons (if applicable to the purchase) are acceptable.
 - The receipt must document that the value of the coupon was deducted from the total sales price of the WIC foods purchased with food benefits
 - Do not give the reduced dollar amount to the WIC customer in the form of cash, credit or other valuable goods.
 - Free Additional Ounces
 - The free additional ounces should cost the same as the ounces specified in the food benefit. For example: An 18 ounce box of Kix cereal advertises four free additional ounces, making the box 22 ounces and is sold for the 18 ounce price.

- The free ounces are not removed from the benefits.

For example: A box of Kix cereal advertises four free additional ounces making the box 22 ounces. The four free ounces do not count against the quantity of 36 ounces specified in the food benefit.

- Buy one get one free
 - Non-WIC approved foods or items are acceptable free items. For example: Buy a 12 ounce box of Cheerios, and get a 12 ounce box of Honey Nut Cheerios free.
 - The receipt must document that only WIC authorized foods were paid for with WIC food benefits.
 - The number of ounces of free additional product should not be counted towards the maximum number of ounces allowed by WIC. For example: Buy one 12 ounce box of Cream of Wheat Instant hot cereal and get a 12 ounce box free. The 12 ounces from the free box will not be counted against the quantity of 36 ounces specified in the WIC food benefit.
 - In store or manufacturers coupons
 - WIC customers may take advantage of any/all in-store and/or manufacturer's promotions for products with a manufacturer issued UPC.
Some examples are: Store manager's specials of the day or week or manufacturers marketing their product in a larger size package/container which will cost the consumer the same price as the regular size package/container. (It may say something like '20% more free').
 - Store membership discount cards
 - The store's discount cards also known as clipless coupons may be used by all WIC customers and with any/all purchases.
 - Employee discount cards
 - WIC customers who are also grocery store employees may use their employee discount card with any/all purchases.
7. Total the transaction
 - If WIC foods are required by the register to be separated total the transaction for the WIC foods only.
 8. Have the WIC customer slide their eWIC card through the card reader.
 - Scanned foods will be compared to the eWIC account balance to ensure the WIC customer has an adequate balance for the purchase.
 9. Have the WIC customer enter their Personal Identification Number (PIN) when prompted by the card reader or register.
 - The WIC customer has four (4) attempts to enter the correct PIN. If the WIC customer enters the wrong PIN four (4) times in a row, the eWIC card will be locked and the transaction cannot be processed.
 10. Allow the WIC customer to pay for groceries that are non-WIC or WIC FVBs that exceed the benefit balance with a different form of payment.
 11. Always accept WIC as the first payment form.
 12. Give the WIC customer a clear, legible cash register receipt for each WIC purchase.

1. The cash register receipt **MUST** show:

- Name of the Store
- Total \$ Amount
- The last four digits of the card number of the Primary Account Number (PAN) only.
- Store street address, city, state abbreviation and zip code.
- Local date and time of purchase
- WIC food item identifier (if a separate WIC purchase receipt is not provided)
- Benefit expiration date and time
- Purchased food items including the food item quantity, description and unit of measure.
- Unit cost
- Benefits remaining, including the benefit description, quantity and unit of measure
- Unique transaction identifier or systems trace audit number
- Must be legible
- WIC must appear on the receipt either handwritten or imprinted by the cash register

2. The cashier shall NOT:

3. Prevent WIC customers from purchasing items listed in their WIC food benefits.
4. Require WIC customers to purchase specific brands or limit the units of WIC foods (e.g.: allow only a certain brand, unless it is specifically stated on the food benefits or food list, such as Kellogg's Corn Flakes or gallons of milk only).
5. Charge more than the current shelf price.
6. Charge for items not purchased.
7. Sell WIC foods or WIC infant formula after the manufacturer's expiration date printed on the package/container.
8. Charge sales tax for WIC foods purchased.
9. Provide WIC customers cash or credit for eWIC cards.
10. Provide incentive items or other free merchandise **solely** to WIC customers.
11. Offer incentive items **solely** to WIC customers in an effort to encourage participants to redeem WIC benefits at the vendor's location.
12. Provide store credit or other free items **solely** to WIC customers for redeeming WIC benefits at the Vendor's location.
13. Require WIC customers to purchase other items in order to redeem WIC benefits.

14. Require WIC customers to purchase something in order to obtain a WIC benefit balance.
15. Exchange WIC benefits for non-WIC foods, non-food items, alcohol or tobacco products, lottery tickets, cash or credit.
16. Charge WIC customers the difference in value if the cost of food specified exceeds the maximum value of the WIC food benefit.
17. Provide refunds or permit WIC customers to exchange foods purchased with WIC food benefits for unauthorized foods, other items, and cash or credit, except for exchanges of an identical authorized supplemental food item(s) when the original authorized supplemental food item is defective, spoiled, or has exceeded its "sell by," "best if used by," or any other date limiting the sale or use of the food item.
18. An identical authorized supplemental food item means the exact brand and size as the original authorized supplemental food item purchased and returned by the WIC customer.
 - Vendors are permitted to exchange the defective or recalled or beyond "sell by" date food item for an identical food item. If the vendor has removed the identical food item from the shelves, the vendor can exchange the defective food for another authorized supplemental food of the same type (i.e. peanut butter for peanut butter) from the AZ WIC Programs Food List.
 - For example:
 - If a jar of "X Brand" peanut butter is recalled and all "X Brand" is removed from the shelf, the Vendor may exchange the recalled peanut butter for another brand of authorized peanut butter from the Arizona WIC Programs Food List. If the WIC customer returns with a recalled item and has a receipt, the Vendor shall provide the WIC customer with the same type of food item as referenced above. The replaced item shall be of equal value to the price paid by the WIC Program on the client's receipt when possible. If the WIC customer returns with a recalled item and does not have a receipt, the Vendor shall provide the WIC customer with the same type of food item as referenced above. The replaced item shall be of equal value to the current cost of the item at the time of the return when possible.
19. The cashier shall not scan a UPC that is not attached to the WIC food item. Using or having a list of UPCs for WIC foods is not allowed.

Balance Inquiry & Receipts

Vendors are required to provide WIC customers a balance inquiry at no charge and without having to make a purchase. The vendor's point of sale (POS) device is required to have the capability to run a balance inquiry for the WIC customer at no charge. When a balance inquiry is conducted, the vendor is required to provide the WIC customer with a receipt to show the eWIC account balance.

The balance receipt must contain the following data:

- Last four digits of the Primary Account Number (PAN). All other digits shall be represented by an "x" or any other value that hides the card numbers on the receipt and the POS system.
- Store name. The generally accepted name for the location or one consistent with the WIC application to become an authorized WIC vendor.
- Store street address, city, state abbreviation and zip code.
- Local date and time of balance inquiry.
- Benefit expiration date or benefit effective and benefit ending dates.
- Benefits available (even if zero balance), including the benefit description, quantity and unit of measure. If provided at the beginning of the transaction, data reflects the opening benefit balance, if provided at the end of the transaction, data reflects the ending benefit balance.
- Unique transaction identifier or systems trace audit number. Uniqueness may be created by a combination of data elements, e.g., vendor identification number, stand beside terminal number/register number, operator number, transaction number and date of time.

Voids

Vendors may void transactions that result in a balance owed by the WIC client, and when a WIC client denies the payment at the time of the transaction. When a vendor voids a transaction resulting in a reversal, a WIC purchase receipt or a WIC vendor sales receipt reflecting the voided transaction shall be provided. For technical assistance, please contact your store's POS system manager (for integrated register) or the FIS Merchant Help Desk (for stand beside device).

Section 6: PAYMENTS

Payment Process

Payment follows the path of the transaction. Transactions are combined resulting in one payment for all transactions that occurred during a settlement day. A settlement day is considered a 24 hour period that has a cut-off time after which reimbursement for approved transactions will occur the following settlement day. For example, a settlement day is the 24 hour period of 6PM to 5:59:59PM, transactions that occur within these 24 hours are grouped together into the same settlement day.

The settlement amount is the requested amount for all the redemption transactions presented during the settlement day. The requested amount is reduced by any discount amount and any calculated Not to Exceed (NTE) adjustments. The total redemption amount calculated is reduced by the amount of any voids or reversals during the settlement day.

All Vendors are paid up to the maximum allowed amount per item, established by the Vendor's peer group. Maximum allowable amounts are used to ensure the vendor is reimbursed at a competitive price.

Transaction Errors

Transactions errors are errors that occur at the time of transaction that result in an incomplete transaction. If a transaction results in error or is denied, there is no payment requested and no payment issued, due to no exchange of foods or benefits. Transaction errors occur for the following reasons:

| REASON FOR TRANSACTION DENIAL | CRITERIA | ACTION |
|--|--|---|
| Insufficient account balance | The WIC customer is attempting to purchase an item or items that exceed the WIC customer's account balance. | Retrieve account balance to determine what item is not included in the WIC customer's account balance. The transaction can be started over and completed by excluding the item not in the account balance. |
| Item being purchased is not in prescription benefits | The WIC customer is attempting to purchase an item that is not in their account balance. | Retrieve account balance to determine what item is not included in the WIC customers account balance. The transaction can be started over and completed by excluding the item not in the account balance. |
| Customer attempting to purchase item not in the APL | The WIC customer is attempting to purchase an item that is not approved by the ITCA WIC Program. | Refer to the AZ WIC Programs Approved Food List to determine which item is not WIC allowable. Remove (and replace if needed) the unauthorized item and restart the transaction. |
| Invalid PIN entry | The WIC customer has entered an invalid PIN. | The WIC customer has 4 attempts to enter the correct PIN. Allow the customer to enter their PIN as many times as needed. After 4 attempts, the eWIC card gets locked and the transaction cannot be completed. |
| Locked eWIC card | The WIC customer is attempting to use an eWIC card that has been locked due to too many invalid PIN entries. | A transaction being conducted with a locked eWIC card will not be processed. |

| | | |
|---------------------|--|---|
| Cancelled eWIC card | The WIC customer is using an eWIC card that has been cancelled and no longer active. | A transaction being conducted with a cancelled eWIC card will not be processed. |
| Card Inactivated | The customer is using an eWIC card that has been inactivated. | A transaction being conducted with an inactive eWIC card will not be processed. |

Payment Adjustments

Payments made by the ITCA WIC Program to authorized vendors may be adjusted for the following reasons:

- Requested item price is over the Not To Exceed (NTE) amount
- Food removed from WIC customer benefits but not received by WIC customer
- Transaction communication errors
- Transaction pricing errors

If an item sold exceeds the NTE amount, as described in the pricing section above, the settlement price is adjusted to equal the NTE amount. If for any reason, there is a dispute regarding a payment, the vendor must communicate the dispute to the ITCA WIC Program following the Transaction Dispute Resolution procedures.

Payments may also be adjusted for items charged to the WIC Program that were not received by the WIC customer.

If a transaction error or transaction communication error results in over payment to the vendor, the ITCA WIC program adjusts the payment to reflect the accurate dollar amount. If transaction communication errors result in underpayment to an authorized vendor, the vendor must follow the procedures for Transaction Dispute Resolution.

Section 7: TRANSACTION DISPUTES & VENDOR CLAIMS

Transaction Dispute Resolution

Dispute resolution addresses conditions where one or more parties to an eWIC transaction have incurred or may incur a financial loss. Transactions can be disputed by the WIC cardholder, the WIC Vendor or other parties to the transaction. WIC vendor transaction disputes may be initiated by the vendor, the acquirer or third party processor on the vendor's behalf. The following disputes eligible for dispute resolution:

- Benefits not available for store and forward transaction
- Transaction not paid because of invalid electronic signature (Cyclical Redundancy Check (CRC))
- Transaction not paid because of out of date food items
 - The date and time a food item is tendered shall determine if a food item is out of date when submitted for payment.
 - The date and time a food item is tendered is the local date and time at the Vendor as reported in the transaction and recorded and adjusted for the Vendor's local time by the Card Issuer.
 - A food item is considered out of date if the date and time a food item was tendered is 48 hours beyond the file creation date and time of the APL in force when the food item was tendered and, if provided by ITCA in the APL:
 - Is after the UPC end date for the food item
 - Transaction rejected
 - Claim file rejected
 - Transaction not previously submitted

Disputes between a vendor and the ITCA WIC Program are resolved within 45 days of the dispute being submitted by the vendor. Vendors are required to research and submit receipts or other documentation within 10 processing days from the receipt of the notification of a dispute from ITCA. ITCA will research and provide a response within 10 processing days of the receipt of the notification of a dispute from the vendor. To submit a Transaction Dispute, the following information must be faxed, emailed or sent by certified mail to the ITCA WIC Program:

- Transaction log record for the purchase being disputed
- Date and time of transaction. The date and time of transaction is the local date and time at the vendor when a food item is tendered as recorded on the transaction receipt
- eWIC card number
- Vendor Identification Number
- Transaction details, i.e., systems trace audit number, UPC/PLUs purchased, Category and Sub-Category details

Mailing Address:

Inter Tribal Council of Arizona, Inc. WIC Program
Attn: WIC Vendor Manager
2214 N. Central Avenue
Phoenix, AZ 85014
Fax Number: (602) 258-4825

Email: WICVendor@itcaonline.com

Disputes that result in payment being owed to the ITCA WIC Program must be submitted by the payment due date. Disputes that result in payment being owed to the vendor by the ITCA WIC Program are made by transaction adjustment or ACH payment.

The transaction dispute procedures can also be found in the appendix listed as Appendix J: Transaction Dispute Resolution.

Vendor Claims

The ITCA WIC program may delay a payment or establish a claim against a vendor for violations that affect payment to the vendor. ITCA may use the full purchase price of each food item that contained the overcharge or error when delaying payment or establishing a claim.

Vendors are provided with an opportunity to justify or correct the vendor overcharge or other error. If satisfied with the justification or correction, payment is provided or the proposed claim is adjusted accordingly.

Claims may be collected through offsets against current and subsequent amounts owed to the vendor, or collected by requesting a check or money order from the vendor. Disputes regarding payments and vendor claims (other than the chance to justify or correct a vendor overcharge or other error) are not subject to administrative review.

Section 8: PEER GROUPING SYSTEM

Peer Groups

Each vendor is assigned to a peer group at authorization for high-risk identification and to ensure the vendor is reimbursed at a competitive price. ITCA informs all vendors of the criteria for peer groups and informs each individual vendor of their peer group assignment.

Authorized vendors will be assigned to one of the following peer groups based on the criteria listed:

Peer Group 1

- Motorized land transport available AND
- Not located in a FAR4 zip code AND
- Corporate ownership AND
- up to 16,999 ft² in size

Peer Group 2

- Motorized land transport available AND
- Not located in a FAR4 zip code AND
- Corporate ownership AND
- 117,000 ft² and above in size

Peer Group 3

- Motorized land transport available AND
- Not located in a FAR4 zip code AND
- Independent ownership AND
- Any square footage

Peer Group 4

- Motorized land transport available AND
- Located in a FAR4 zip code AND
- Independent ownership AND
- Any square footage

Peer Group 5

- NO motorized land transport available AND
- Located in a FAR4 zip code AND
- Independent ownership AND
- Any square footage

Definitions of variables used in the peer group system are:

Total square footage

The total square footage of the inside of the vendor location as reported by the individual vendors

FAR 4 Area Code Status

Frontier and Remote Area (FAR) Codes are used to determine the remoteness of the vendor's location using a combination of low population size and geographic remoteness. There are four levels of FAR codes. Vendors are assessed to determine if they are located within a level four FAR code with no determination for levels one to three. Level four FAR codes more

closely coincide with this much higher degree of remoteness. FAR four area codes are rural areas that are:

- 15 minutes or more from an urban area of 2,500-9,999 people
- 30 minutes or more from an urban area of 10,000-24,999 people
- 45 minutes or more from an urban area of 25,000-49,999 people
- 60 minutes or more from an urban area of 50,000 or more people

Ownership

- Corporate: a national or local chain
- Independent: not part of a national or local chain

Transportation

- Motorized land transport is available
- Motorized land transport is not available

Section 9: MONITORING & SANCTION SYSTEM

Vendor Monitoring

Upon entering into a contract with the ITCA WIC Program, the Vendor is subject to monitoring by ITCA. ITCA staff or ITCA local agency staff visits the Vendor prior to or at the time of Vendor authorization, as well as throughout the three-year authorization period. Vendors are selected for monitoring based on:

- Random selection
- Follow up from previous monitoring
- Lack of variety/stock of authorized foods
- Volume of WIC business
- Customer complaints
- Availability of authorized foods
- NTE payment adjustments

ITCA monitors Vendors to ensure they are in compliance with WIC Program's rules, to reduce program errors, and to maintain the integrity of the WIC Program. Vendors are monitored through the following activities (list is not all inclusive):

- Vendor Site Reviews
- Transaction Monitoring Reports
- NTE Reports
- Inventory Audits
- Compliance Buys
- Cash Register Receipt Reviews
- Customer Complaints
- Test Purchases

If noncompliance is detected or abuse is discovered, sanctions, fines and possible disqualification are imposed based on the type and severity of the violation.

Vendor Site Review

A Vendor Site Review (VSR) is an on-site visit by the ITCA WIC Program. This is done to ensure that Vendors are continually in compliance with minimum stock requirements of WIC authorized foods and other program requirements. As outlined in the Vendor Contract, the Vendor **MUST** allow a Vendor Site Review to be conducted. There are four types of Vendor Site Reviews:

- **Initial:** First time visit for an applicant or change of owner as a prerequisite for contract authorization. Initial VSRs are scheduled in advance of the on site visit.
- **Initial follow-up:** New applicants who did not 'pass' the initial VSR will receive a one-time only follow up visit prior to the authorization decision.
- **Representative/Routine:** Vendor is chosen at random during an authorization period. Representative/Routine VSRs are unannounced visits.
- **High risk/follow-up:** Vendors who have high prices, a history of low inventory, client complaints, large number of transactions above the NTE, sanitation issues or other areas of concern will be visited. High risk/follow-up VSRs are unannounced visits.

During a Vendor Site Review, the ITCA WIC personnel use the Vendor Site Review Form to document both the visit outcome and any technical assistance or training provided to the Vendor at the time of the visit. Violations uncovered during a vendor site review result in corrective action plans, warnings, sanctions, fines, and disqualification as outlined in the ITCA WIC Sanction Schedule (Appendix K). Vendors are provided with a copy of the completed Vendor Site Review Form.

The following areas are reviewed during the visit (list is not inclusive):

- | | |
|---|--|
| ▪ Attitude of store personnel | ▪ Compliance with WIC rules and procedures |
| ▪ Cleanliness of store | ▪ Compliance with minimum stocking requirements |
| ▪ Current price of WIC foods | ▪ Verify infant formula supplier |
| ▪ Freshness of WIC foods | ▪ Verify if store allows WIC clients to pay the difference when redeeming Fruit and Vegetable Benefits |
| ▪ Problems/complaints vendors may be experiencing with the WIC program or WIC clients | ▪ Use of WIC Approved shelf labels |
| ▪ Current health operating permit | |

Transaction Monitoring Reports

The ITCA WIC Program has a monitoring system that analyzes WIC transactions to determine if a vendor is experiencing difficulty with redemption procedures. Transactions are monitored for the following:

- Products over the NTE amount
- Quantity of WIC transactions in a period of time
- Balance Inquiries
- Transaction voids
- Variety of products sold
- Consistent pricing
- Transaction reversals

Inventory Audits

Inventory audits are an examination of food invoices or other proofs of purchase to determine whether a vendor has purchased sufficient quantities of WIC authorized foods to provide the quantities specified as sold to WIC clients by the vendor during a given period of time.

ITCA compares the vendor's invoices against the redemption information. The vendor may receive sanction(s) and fines for program errors discovered during the audit and may be asked to reimburse the program for foods that were falsely claimed as redeemed.

Compliance Buys

Covert investigations are conducted by ITCA or an ITCA representative to determine a vendor's compliance with WIC requirements. Compliance buys are conducted by an investigator who poses as a WIC shopper to purchase foods with an eWIC card. While in the store, the investigator checks the store for compliance with program requirements. Additionally, transaction records are verified after the compliance buy to verify redemption procedures are followed. Violations uncovered during a compliance buy result in warnings, sanctions, fines, and disqualification as outlined in the ITCA WIC Sanction Schedule (Appendix K).

Cash Register Receipt Review

Receipt review can include a purchase receipt, a mid-transaction receipt, and a balance inquiry receipt. Receipts are reviewed to help troubleshoot complaints and to ensure a POS system is in compliance with the [WIC EBT Operating Rules](#). Receipt review may occur when prompted by the following:

- When a WIC client submits a receipt as part of a vendor complaint
- When a vendor submits a receipt as part of troubleshooting errors and complaints
- During test purchases and troubleshooting register issues

WIC purchase receipts are reviewed for the following information:

- Products purchased
- Dollar amount charged per unit
- Quantity of purchased products
- Total purchase amount
- Sales tax
- Coupons
- Ending benefit balance, including benefit description, quantity and unit of measure
- Benefit expiration date and time
- Local date and time of purchase
- Name of vendor
- Vendor street address, city, state abbreviation and zip code
- Last 4 digits of the card number of the Primary Account Number (PAN) only, all other digits shall not be displayed in the clear nor printed on the receipt
- Store lane number
- WIC food item identifier
- Unique transaction identifier or systems trace audit number

WIC balance inquiry receipts are reviewed for the following information:

- Name of vendor
- Vendor street address, city, state abbreviation and zip code
- Last 4 digits of the card number of the Primary Account Number (PAN) only, all other digits shall not be displayed in the clear nor printed on the receipt
- Local date and time of balance inquiry
- Benefit expiration date or benefit effective and benefit ending dates
- Benefits available, including the benefit description, quantity and unit of measure. If provided at the beginning of the transaction, data reflects the opening benefit balance, if provided at the end of the transaction, the data reflects the ending benefit balance
- Unique transaction identifier or systems trace audit number

Discrepancies discovered during the receipt review process are subject to sanctions, fines, and disqualification as outlined in the ITCA WIC Sanction Schedule (Appendix K). If the receipt is found to not be in compliance with the [WIC EBT Operating rules](#), the vendor must take action and work with their Point of Sale (POS) provider to get into compliance with the WIC EBT Operating rules.

Complaints Against Vendors

Complaints from clients and local agencies are used to identify vendors that are non-compliant with program rules. ITCA WIC clients may submit a complaint in person at the local agency, by phone, or on the ITCA WIC website. Complaints submitted against a vendor are followed up on and may result in action being taken by ITCA against the vendor, such as additional vendor training, imposition of a corrective action plan, or high risk designation.

Test Transactions

Test transactions are conducted to troubleshoot issues that occur at the Point of Sale (POS) system level. Test transactions are conducted by ITCA WIC staff and may occur in person or over the phone. If the POS system is not functioning within the guidelines of the WIC EBT Operating Rules or not downloading the APL file every 24 hours the vendor must take action and work with their POS provider to get into compliance.

Sanction System

Authorized Vendors shall comply with the WIC Program rules, regulations, policies, and procedures. Violation of WIC program rules, regulations, policies and procedures results in vendor sanction and disqualification as appropriate. ITCA may sanction vendors regardless of whether the violations were intentional or unintentional. Program violations and penalties are outlined in the Sanction Schedule (Attachment K). Program violations may result in the imposition of the following:

- Additional training or on-site assistance
- Written warnings
- Corrective Action Plan
- Fines
- Disqualifications
- Civil Money Penalty in lieu of disqualification
- Termination of the Vendor Contract

The Sanction System is based on two types of violations: Federally Mandated and Administrative.

- Federally mandated sanctions result in minimum of a 1-year disqualification up to permanent disqualification.
- Administrative sanctions result in warnings letters and up to 1-year disqualification.

Disqualification of the Vendor from the ITCA WIC Program may result in disqualification from (SNAP) Supplemental Nutrition Assistance Program. ITCA disqualifies a vendor who has been disqualified from SNAP or disqualified by another WIC State agency for a vendor sanction that is federally mandatory. The length of disqualification is for the same length of time as the SNAP disqualification or length of disqualification imposed by the other WIC State agency and may start at a later date.

If disqualification of the vendor results in inadequate WIC client access, ITCA may impose a civil money penalty in lieu of disqualification (see Section 10: Client Access).

Federal regulations require the WIC Program to notify the vendor of the initial violation for violations requiring a pattern of occurrences in order to impose a sanction prior to documenting a second occurrence of the same violation, unless the state agency determines that notifying the vendor would compromise an investigation.

See the ITCA WIC Sanction Schedule (Attachment K) for details and additional information about program violations and sanctions.

Section 10: CLIENT ACCESS

Client Access & Client Access Criteria

The ITCA WIC program has measures in place to ensure that WIC clients living in rural and remote areas have adequate access to purchase their WIC food items. By ensuring adequate access to authorized vendors, ITCA assists WIC clients in meeting their nutritional needs to improve health outcomes. ITCA applies the client access determination criteria (Appendix L) listed below to determine a vendor's client access status prior to authorization. A vendor is also evaluated to determine if they meet client access criteria prior to termination.

Client Access Criteria

Inadequate client access is determined by meeting one of the following conditions:

- No other authorized or potential vendor within a reasonable distance (5 driving miles) of the clinic or clients' residences.
- Physical barriers or conditions which would make travel to another authorized WIC Vendor impossible or difficult (for example, an un-bridged river, an expressway, an airport, frequent road closings due to flooding/bad weather)
- A client/authorized representative has a disability that cannot be accommodated by other Vendors.

If the vendor meets one of the above conditions, the following information is reviewed and documented prior to authorization, disqualification, and termination:

- Date the Client Access Determination was complete
- Number of clients that reside in the same zip code as the vendor
- Number of clients that utilized the vendor
- Quantity of WIC transactions
- Average transaction dollar amount per month (based on annual average)
- Distance to the closest authorized vendor
- Final outcome if store is client access or not.

Client Access and Authorization

Vendors are evaluated at the time of authorization to determine if they are needed for client access. ITCA assists client access vendors with meeting the authorization selection criteria (Appendix C) and may waive some of the authorization selection criteria requirements.

Vendors who meet the client access criteria are eligible to receive assistance from ITCA in becoming EBT capable if they are not already EBT capable. ITCA can assist with ensuring client access stores have WIC only stand beside equipment to process eWIC transactions at their store location. ITCA may provide assistance with costs associated with processing eWIC transactions and costs associated with maintaining the stand beside equipment.

Client Access Termination and Disqualification

The client access determination criteria is used to determine if a vendor qualifies for a civil money penalty in lieu of disqualification.

Vendors needed for client access are not eligible for a civil money penalty in lieu of disqualification for third or subsequent violations with mandatory disqualification periods listed in the sanction schedule (Appendix K).

Client access is not a legitimate or acceptable issue for a Vendor to raise in appealing a disqualification. ITCA's WIC vendor client access determination criteria, and the client access determination, are not subject to administrative review (according to federal regulations at 7 CFR 246.18(a)(1)(iii)).

Civil Money Penalty

If ITCA determines that disqualification of a vendor would result in inadequate participant access, a civil money penalty is imposed in lieu of disqualification. Civil money penalties are calculated according to federal regulations 7 CFR PART 246.12(l)(1)(x).

The ITCA WIC program may work with vendors to establish a payment plan as necessary.

Withdrawal from the ITCA WIC program does not remove the imposed civil money penalty.

Section 11: DISQUALIFICATION & TERMINATION

Contract Termination and Disqualification

Vendors who violate the terms of the vendor contract are subject to disqualification and termination. Termination ends the vendor contract and the vendor no longer has the ability to accept ITCA WIC benefits. Disqualification is the time period a vendor contract is terminated, after which the vendor may apply to accept ITCA WIC benefits. All payments owed to the vendor are made the settlement day after the disqualification period starts.

ITCA may terminate the vendor contract and/or disqualify a vendor for reasons of non-compliance with the policies and procedures of the WIC program by providing the vendor with advanced written notice of the termination or disqualification. Termination and disqualification is effective date no earlier than 15 days after the date the vendor receives notice of adverse action, and no later than 90 days after the date the vendor receives notice of adverse action, for the following:

- Low volume of WIC sales
- Non-competitive prices
- Failure to meet selection criteria
- Termination of the WIC Program or the non-availability of funds.
- Failure to pay claims.
- Failure to maintain business integrity.
- Fraud.
- A-50 vendors will be terminated
- Failure to comply with the conditions and responsibilities set forth in the vendor contract, federal regulations 7 CFR PART 246.12, ITCA WIC Vendor Manual, or the ITCA WIC Policies and Procedures

Termination of the vendor contract with permanent disqualification is effective on the date the vendor receives notice of adverse action for a conviction of one of the following:

- Trafficking in WIC benefits
- Selling firearms, ammunition, explosives or controlled substances in exchange for WIC benefits.

ITCA shall immediately terminate the contract if it is determined that the vendor has provided false or misleading information in connection with its application for authorization.

A vendor may appeal termination and disqualification by use of the administrative review procedures (see administrative review procedures section).

ITCA notifies the Food and Nutrition Service (FNS) branch of the United States Department of Agriculture (USDA) of vendors who are terminated and disqualified from the ITCA WIC program. Disqualification from the ITCA WIC program may result in the vendor being disqualified from the Supplemental Nutrition Assistance Program (SNAP). Such disqualification is not subject to administrative or judicial review under SNAP.”

State and Local Laws

Vendors are liable to prosecution under the applicable federal, state and local laws in addition to ITCA WIC program termination and disqualification.

Withdrawal and Non-Renewal of Contract

ITCA does not accept voluntary withdrawal of the vendor as an alternative to disqualification. Non-renewal of the vendor contract is not accepted as an alternative to disqualification.

Disqualification from SNAP and Other WIC Programs

Vendors who are disqualified from the Supplemental Nutrition Assistance Program (SNAP) are disqualified by the ITCA WIC program. The WIC disqualification timeframe is identical to the SNAP disqualification period and may begin on different dates. This disqualification is not subject to administrative review under the ITCA WIC Program. The ITCA WIC Program may assess client access and determine whether to impose a civil money penalty in lieu of disqualification.

Vendors who are disqualified from another WIC program for a mandatory sanction (violations A1-A4 and B1-B6 or the sanction schedule Appendix K) are also disqualified from the ITCA WIC program. The length of the disqualification period is identical to the other WIC program's disqualification period and may begin at a later date.

Stand Beside Device Equipment

Upon disqualification or termination, the vendor must return WIC only stand beside device equipment to the eWIC processor. After termination or disqualification, the vendor is responsible for any monthly fees associated with the WIC only stand beside device.

Section 12: APPEAL & ADMINISTRATIVE REVIEW PROCESS

Vendor Appeal and Administrative Review

The Vendor may appeal decisions that result in adverse action(s) applied to the vendor by requesting an administrative review. Administrative review procedures (Appendix M) are provided to vendors with notice of adverse action that is subject to administrative review and consist of a full or partial administrative review. During the appeal process, a vendor is not relieved of the responsibility of continued compliance with the terms of all written agreements with ITCA. Except for violations that seriously affect public health, safety, or welfare, as described below, a vendor whose contract is terminated before the expiration of the contract or who is disqualified from the WIC Program may continue to accept WIC benefits until the appeal is processed and the outcome is decided, or the date that the vendor contract expires, whichever occurs first. Appeal of adverse action and request for review does not extend the vendor contract beyond its expiration date and does not require ITCA WIC to contract with the vendor for the next contract cycle.

Full administrative reviews consist of a hearing before an impartial official. The following adverse actions are eligible for a full administrative review.

- Denial of the vendor's application for authorization for the reasons of:
 - Failure to meet the minimum stock requirements as listed in the authorization selection criteria
 - Attempt to circumvent a WIC sanction
- Termination of the vendor contract for cause
- Disqualification
 - Full administrative review is not applicable for the reasons below, however these reasons are applicable to abbreviated administrative review:
 - Disqualification as a result of a trafficking conviction
 - Disqualification or imposition of a civil money penalty (CMP) from the Special Supplemental Nutrition Program (SNAP)
- Disqualification from another WIC program as a result of mandatory federal sanction
- Imposition of a fine or civil money penalty in lieu of disqualification from the ITCA WIC program

Abbreviated (partial) administrative reviews are based on written documentation and other materials submitted to an official by both parties. Abbreviated reviews do not include a hearing. Abbreviated administrative reviews are conducted for an appeal of the following types of adverse actions.

- Denial of the vendor's application for authorization for the following reasons:
 - Failure to meet the business integrity as listed in the authorization selection criteria
 - Current SNAP disqualification or imposition of a civil money penalty in lieu of SNAP disqualification
 - Submission of the vendor application outside the timeframes established by the ITCA WIC program
 - Failure to meet competitive price selection criteria
 - Failure to meet limiting criteria for authorization
 - Failure to prove SNAP authorization status

- Failure to meet ITCA selection criteria as they relate to WIC vendor sanctions or SNAP authorization
- Disqualification based on any of the following:
 - Trafficking conviction
 - Imposition of SNAP civil money penalty
 - Disqualification or civil money penalty imposed in lieu of disqualification from another WIC program as a result of a mandatory federal sanction
- Application of peer group criteria
- Application of criteria used to identify vendors that are above 50 percent (A-50) vendors, including all criteria used to identify vendors comparable to A-50 vendors
- Termination of the vendor contract due to a change in ownership, location, or cessation of operations
- A WIC civil money penalty imposed instead of disqualification based on a SNAP disqualification

Administrative reviews are not provided for appeal of the following adverse actions taken against the vendor.

- The validity or appropriateness of any of the following:
 - ITCA WIC vendor limiting criteria
 - The following ITCA WIC authorization selection criteria
 - Minimum stock requirements
 - Business integrity
 - Current SNAP disqualification or civil money penalty
 - Competitive price
 - Peer group criteria
 - A-50 vendor identification methods
 - Client access determination
 - Prohibition of incentive items
- ITCA's determination of any of the following:
 - Inclusion or exclusion of an infant formula manufacturer, wholesaler, distributor, or retailer from the approved infant formula supplier list.
 - To withhold written notification to the vendor of an initial violation identified in an investigation, when a pattern of violations is needed in order to impose a sanction.
 - Whether a vendor had an effective policy and program in place to prevent trafficking, and whether the owner was involved in the conduct of the violation.
- Vendor contract expiration
- Disputes regarding WIC payment and vendor claims (other than the opportunity to justify and correct a vendor overcharge or other error)
- Reciprocal disqualification from WIC as a result of disqualification from SNAP

Appeal / Request for Review

A vendor must submit a written request for appeal to ITCA WIC within fifteen (15) business days of receiving notice of sanction or adverse action from ITCA. Notification of adverse action is sent to the store by certified mail with return receipt requested. The date of delivery indicated on the return receipt is used to start the fifteen (15) business day deadline. If a vendor fails to accept the certified mail and it is returned to the ITCA WIC program, the vendor is contacted by email and phone and the date the vendor is successfully contacted starts the fifteen (15) day timeline.

The written request for review must state the reason(s) for the request and include any supporting information or documentation. The request must be sent via certified mail and addressed to:

Inter Tribal Council of Arizona, Inc.
Attn: WIC Director
2214 N. Central Avenue, Suite 100
Phoenix, Arizona 85004

If a full administrative review is granted to the vendor, the ITCA WIC program provides the vendor with all of the following:

- The opportunity to provide testimony and present a case.
- The date, time and place for a full administrative review at least (15) fifteen business days in advance of the scheduled date.
- The opportunity to request for the full administrative review to be rescheduled. A full administrative review may not be rescheduled more than one time.
 - If a full administrative review is re-scheduled at the request of the vendor, the appeal decision may exceed the ninety (90) day timeframe.
- The opportunity to be represented by counsel.
- The opportunity to examine the evidence used to impose sanction(s) or other adverse actions, prior to the review.
- The opportunity to cross examine adverse witnesses.
 - A protective screen or other device may be used to protect the identity of WIC program investigators when necessary.
- An impartial decision maker to determine if ITCA has correctly applied federal and State statutes, regulations, policies, and procedures governing the WIC program, according to evidence presented at the review.

If an abbreviated administrative review is granted to the vendor, the ITCA WIC program provides the vendor with all of the following:

- An opportunity to submit written grounds for appeal and documentation supporting the appeal.
- The date all materials must be submitted to the review official.
- A decision maker (review official) to use the available information to determine if ITCA has correctly applied federal and State statutes, regulations, policies, and procedures governing the WIC program.
 - The decision maker must be someone other than the person who made the initial decision on the adverse action.

Administrative Review Outcomes

The decision maker appointed to review the appeal decides the outcome of the appeal. The decision is made by using the evidence presented in the administrative review and determines if ITCA has correctly applied federal and state statutes, regulations, policies and procedures governing the WIC program. ITCA WIC may appoint a chief hearing officer to review the outcome of the appeal for full administrative reviews if desired.

The vendor is notified in writing of the appeal outcome within ninety (90) days of ITCA receiving the request for review/appeal. The ninety (90) day timeframe is an administrative requirement and is not a basis for overturning the adverse action if the decision is not made within the timeframe.

The adverse action appealed by the vendor is not imposed in the event that the administrative review outcome does not affirm the adverse action taken by ITCA.

- Vendors who appeal the denial of authorization receive an authorized status as soon as administratively feasible.
- Vendors who appeal violations and corresponding adverse actions have the violation and adverse action removed from the vendor record.

Administrative review outcomes that affirm the adverse action taken by ITCA result in the adverse action being implemented. If the appeal decision upholds the adverse action imposed on the vendor, the vendor may pursue judicial review for the decision.

- If the appeal was requested for the adverse action of disqualification or termination, the vendor is disqualified or terminated as soon as administratively possible. The ITCA WIC program notifies local WIC programs, local WIC agencies, WIC programs in neighboring states, SNAP, and FNS of the vendor contract termination or disqualification.
- If the decision is regarding a civil money penalty, efforts to collect the penalty resume immediately.
- If the decision is regarding a vendor claims, efforts to collect the penalty resume immediately, in the event of disqualification or termination, efforts to collect vendor claims resume on or after the date of termination or disqualification.

Effective Dates of Adverse Actions

If an appeal is submitted for an adverse action that is not subject to appeal, the adverse action resumes as indicated in the notification of adverse action mailed to the vendor.

The effective date of adverse action is no later than the date the vendor receives the notice of adverse action for the following:

- Denial of authorization
- Disqualification for a conviction of trafficking in WIC benefits or selling firearms, ammunition, explosives, or controlled substances in exchange for WIC benefits

All other adverse actions are effective no earlier than 15 days after the date of the written notice of the adverse action, and no later than 90 days after the date of the written notice of adverse action.

Section 13: REPORTING CHANGES

Change of Vendor Name, Contact Information, Banking Information, Cash Register, Third Party Processor or Hours of Operation

The Vendor must notify ITCA within 30 days of a change in store management or hours of operation.

The Vendor shall notify ITCA in writing at least 30 calendar days before change in bank account information, cash register system including software updates and version releases, third party processor, store name, mailing address, and telephone/fax number. A change in Vendor location is not a change in mailing address. Failure to report changes in banking information, cash register information, or third party processing information results in the ITCA WIC Program losing the ability to reimburse a vendor for benefits redeemed.

Change in Ownership

The Vendor must provide ITCA 30 days advance written notification of any change in Vendor ownership, store or outlet location, cessation of operations, change of control of the business, and bankruptcy. Written notice must include:

- Previous owner information
- Vendor Name
- Vendor ID
- Physical Address, City, State, Zip Code
- Mailing Address, City, State, Zip Code
- New owner information
- Name
- Address, City, State, Zip Code
- Phone Number
- Effective Date

If notice is not given, Vendor is liable to ITCA for all WIC benefits reimbursed after the change in ownership. ITCA may pursue all remedies available to collect, including establishing a claim against the Vendor.

This Contract immediately terminates upon the change in Vendor ownership or the cessation of operation. This Contract is not transferable between owners and establishments.

Change in Location

Vendors who change the location of their business will not be authorized at their new location unless they have applied to ITCA for authorization, have met all selection criteria, and have received a Vendor contract for the new location.

Vendors shall notify ITCA in writing at least 30 days before changing locations. This Contract is not transferable between locations. The Contract is terminated when the Vendor changes location.

Please mail reported changes to: ITCA WIC Program
Attn: Vendor Manager
2214 N. Central Avenue, suite 100
Phoenix, AZ 85004

You may also fax to: (602) 258-4825

Or email: WICVendor@itcaonline.com

Notice of Change Form

The Notice of Change Form (Appendix N) is used to report any of the Vendor changes listed above.

Section 14: COMPLAINTS

Complaints

Clients and Vendors have obligations and responsibilities that are agreed to when enrolled in or authorized with the ITCA WIC Program. Clients and Vendors that are not fulfilling their obligation or responsibilities may be reported to the ITCA WIC program.

A client may file a complaint against a WIC vendor by contacting the ITCA state agency or local agencies by mail, phone, email, or the ITCA website at: www.itcaonline.com/wic.

Complaints by clients against Vendors may include, but are not limited to:

- Vendor's employee was verbally abusive
- Vendor was out of WIC authorized food(s)
- Vendor sold expired infant formula
- Vendor overcharged for WIC food(s)
- Vendor did not accept WIC benefits
- Vendor required purchase to obtain a balance inquiry

A Vendor may file a complaint against a WIC client by contacting ITCA by mail, phone, email or on the ITCA website: www.itcaonline.com/wic.

Complaints by Vendors against clients/authorized caregivers may include but are not limited to:

- Client was verbally abusive to Vendor employee.
- Client attempted to purchase unauthorized WIC food(s).
- Client attempted to return food purchased with WIC benefits for a cash refund.
- Client was witnessed selling or attempting to sell WIC benefits on the vendor's property.

ITCA takes the appropriate follow up action on all complaints received.

Section 15:

USEFUL HANDOUTS

Troubleshooting eWIC Transactions

Review the mid-transaction receipt

After the shopper swipes their eWIC card, the POS system will print a mid-transaction receipt (integrated registers only). This receipt shows the beginning benefit balance and a list of items that WIC will pay for. The receipt should be reviewed carefully by the shopper before approving the purchase.

Why didn't it go through?

If something is left in the remaining balance that the shopper thought WIC would pay for, check these things:

- ◆ Are there enough benefits left to buy it (ounces, size, etc.)?
- ◆ Is it the correct benefit (the right size bread or milk fat content etc.)?
- ◆ Is the item allowed? Check the Food List or use the WIC shopper app.
- ◆ If the item should be going through but isn't it might be missing from the authorized product list. The item needs to be reported to ITCA.

Voiding Items

Before the shopper uses another form of payment, offer to remove any items from the order that the shopper doesn't want.

Balance Inquiry

If none of the WIC items went through, cancel the transaction and help the shopper check their eWIC balance.



ITCA eWIC Transaction Basics

WIC items combined with other groceries

Integrated registers will be able to complete transactions without separating WIC items from other groceries. If an integrated register is used at your store, the eWIC card must be used as the first payment type, the remaining groceries can be paid with another form of payment. If your store uses a stand beside device, WIC items will need to be separated from other groceries to complete the eWIC transaction.

Scan items individually

Scan the WIC items individually using the UPC barcode on the product or produce PLU code. Do not use the quantity key. Never scan a UPC that is detached from the product.

APL

The Approved Product List (APL) is a list of all WIC approved foods within the register that identifies which foods are eligible for an eWIC transaction. Each WIC Program in Arizona has a unique APL. WIC customers from Arizona WIC may be approved to purchase certain items while ITCA WIC customers may not or vice versa.

Reporting UPCs

If a food does not scan as authorized but appears to meet the criteria, it should be reported to the ITCA WIC Program. Product information like UPC, manufacturer, and size should be captured and submitted. If the item is an approved item, the ITCA WIC Program will add it to the APL. Products may be reported online at itconline.com/eWIC, or emailed to WICUPC@itcaonline.com

No overrides

During an eWIC transaction, some items will not scan as approved items. No overrides allowed. These items must be purchased with a different payment type or removed from the transaction.

Returning Food

WIC customers can cancel items during a transaction but cannot return items purchased with WIC benefits.

PIN Entry

WIC customer will enter a Personal Identification Number (PIN) to authorize the transaction in place of using a WIC ID folder. No other identification is required to complete an eWIC transaction.

PIN Attempts

The WIC customer will have a maximum of 4 attempts to enter the correct PIN. On the fourth incorrect attempt, the eWIC card will be locked resulting in a transaction failure. If this occurs, direct the customer to call their WIC clinic or the customer service number on the back of the card.

Purchase Receipt

WIC customers must be given a purchase receipt showing the items purchased and the remaining benefit balance (foods left in their account for purchase).

Balance Inquiry

A balance inquiry must be provided free of charge when requested by the WIC shopper. WIC customers must be given the receipt showing the benefit balance during an inquiry.

Appendix

| <u>Appendix</u> | |
|--|---|
| <u>Appendix A: Vendor Application</u> | https://itcaonline.com/wp-content/uploads/2011/10/Vendor-Application-FY-25-27.pdf |
| <u>Appendix B: Enrollment Price Survey</u> | https://itcaonline.com/wp-content/uploads/2011/10/Price-Stock-Survey-FY-25-27.pdf |
| <u>Appendix C: Selection Criteria</u> | https://itcaonline.com/wp-content/uploads/2011/03/FY25-27.ITCA_.-Vendor-Selection-Criteria-VM-Appendix-C.pdf |
| <u>Appendix D: Infant Formula Supplier List</u> | https://itcaonline.com/wp-content/uploads/2011/10/Approved-Infant-Formula-Supplier-List-VM-Appendix-D.pdf |
| <u>Appendix E: Vendor Contract</u> | https://itcaonline.com/wp-content/uploads/2011/03/2-MI-FY-25-27-ITCA-Vendor-Agreement-v2.2-FINAL-7_24_24-SAMPLE-for-website.pdf |
| <u>Appendix F: AZ WIC Programs Food List</u> | https://itcaonline.com/wp-content/uploads/2016/01/Food-List-FFY26-ENG-7.16.25.pdf |
| <u>Appendix G: Request to Submit UPC form</u> | http://itcaonline.com/?page_id=21867 |
| <u>Appendix H: Minimum Stock Requirements</u> | https://itcaonline.com/wp-content/uploads/2011/10/ITCA-Minimum-Stocking-Requirements-VM-Appendix-H-effective-Oct-1-2025.pdf |
| <u>Appendix I: Request for Reduced Minimum Stock</u> | https://itcaonline.com/wp-content/uploads/2011/10/FY21.ITCA_.Ch-12-Tool-Request-for-Reduced-Minimum-Stocking-Requirements-VM-Appendix-I.pdf |
| <u>Appendix J: Transaction Dispute Resolution</u> | https://itcaonline.com/wp-content/uploads/2011/10/FY20.ITCA_.Ch-12-Tool-Transaction-Dispute-Resolution-VM-Appendix-J.pdf |
| <u>Appendix K: ITCA WIC Vendor Sanction Schedule</u> | https://itcaonline.com/wp-content/uploads/2011/03/FY-25-27-ITCA-Vendor- |

| | |
|--|---|
| | Sanction-Schedule-VM-Appendix-K-revised-7-11-22.pdf |
| Appendix L: Client Access Criteria | https://itcaonline.com/wp-content/uploads/2011/10/FY25-27.ITCA_.Client-Access-Criteria-VM-Appendix-L.pdf |
| Appendix M: Administrative Review Procedures for Vendors | https://itcaonline.com/wp-content/uploads/2011/03/FY25-27.ITCA_.Administrative-Review-Instructions-for-Vendors-VM-Appendix-M-revised-7-11-22.pdf |
| Appendix N: Notice of Change Form | https://itcaonline.com/wp-content/uploads/2011/10/FY22.ITCA_.Ch-12-Tool-Notice-of-Change-Form-VM-Appendix-N.pdf |
| Appendix O: How To Use WIC Approved Shelf Labels | https://itcaonline.com/wp-content/uploads/2011/10/FY22.ITCA_.Ch-12-Tool-How-To-Use-ITCA-WIC-Approved-Shelf-Labels-VM-Appendix-O.pdf |