



## **Procedure: Vendor Selection Criteria**

Functional Area: I

Section: A 1c

Citation: 246.1(g)

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### **Purpose**

To outline the criteria used to select stores for the Nebraska WIC Program.

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### **Overview of the Selection Process**

The Nebraska WIC Program considers for authorization those stores which:

- Offer a clean and sanitary environment for the WIC shopper,
  - Provide the nutritious WIC supplemental foods at a competitive price so as to make the most efficient use of Program funds, and
  - Assure adequate participant convenience and access.
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### **Tools Used to Determine Vendor Eligibility**

The vendor application and the on-site visit are the tools used to determine vendor eligibility. Submission of a complete application by the vendor begins the review and selection process. A complete application includes the following:

1. Current application with all answers completed and requested information submitted;
  2. Copy/sample cash register receipt; and
  3. A completed WIC Program Application Price List
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### **Vendor Selection Criteria (cont.)**

The Nebraska WIC Program has established the following criteria to select retail stores who wish to participate in the Program.

1. The vendor applicant must be a full service grocery store or a special purchase store.
  - a. **Grocery Store:** A full service grocery store must primarily be a retailer of groceries rather than of other merchandise such as gasoline, beverages, or snack foods.
    - No more than 20% of the retailer's gross annual total retail sales may be from alcoholic beverages.
    - No more than 50% of the retailer's gross annual retail food sales (actual or anticipated) may be from the WIC Program.

## Vendor Selection Criteria (cont.)

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- A full service grocery store must also stock all of the following categories of items and be able to provide upon request, the most recent inventory invoice(s) received, for 3 different varieties of food items, for each of the following food categories.

- i. Fresh fruits;
- ii. Fresh vegetables;
- iii. Fresh or frozen meats and poultry (prepackaged luncheon meats and deli sandwiches do not qualify);
- iv. Canned and frozen vegetables;
- v. Dairy products;
- vi. Cereals and breadstuffs;
- vii. Infant formula.

- A grocery store shall have available and provide all categories of the Nebraska WIC approved foods including infant formulas and/or medical formulas eligible for use in the Nebraska WIC Program.

- A grocery store applicant may also have special formulas and/or medical formulas eligible for use in the Nebraska WIC Program without filing a separate application as a special purchase store (pharmacy).

b. **Special Purchase Store:** Special purchase vendors are only authorized to accept WIC checks for special formulas and/or medical formulas eligible for use in the Nebraska WIC Program. They are not authorized to accept WIC checks for any other types of WIC supplemental food items nor Primary Contract Infant Formulas. The Primary Contract Infant Formulas are the infant formulas, which the Nebraska WIC Program has contracted with the formula manufacturer to provide to WIC participants. These Primary Contract Infant Formulas are identified in Section Two of the Nebraska WIC Vendor Handbook and on page three of the Nebraska WIC Vendor Application Packet for a Special Purchase Store.

No more than 20% of the retailer's gross annual total sales may be from alcoholic beverages.

- A special purchase store must stock three or more types of special formulas, and be able to provide upon request the most recent inventory invoices received, for 3 different varieties of products, for the following category:
    - Special formulas and/or medical formulas.
  - Special purchase vendors are required to provide a special formula and/or medical formula within 48 hours or within 72 hours if a weekend or holiday is involved.
  - A special purchase store shall be used only to provide special formulas and/or medical formulas eligible for use in the Nebraska WIC Program. They are not authorized to accept WIC checks for any other types of WIC supplemental food items nor Primary Contract Infant Formulas.
- c. Stores that only stock and sell WIC approved foods, also known as "WIC Only Stores", are not eligible for authorization as an approved Nebraska WIC vendor.

**Vendor Selection  
Criteria (cont.)**

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- d. Vendor applicants may be required to submit supporting documentation to verify sales information.
2. The vendor only purchases infant formula from the approved sources as maintained by the Nebraska WIC Program. These approved sources include:
    - infant formula wholesalers, distributors, and retailers licensed and inspected by the regulatory authority in that jurisdiction, where they are located, whether it be a State or local authority, in accordance with State law; and
    - infant formula manufacturers registered with the Food and Drug Administration (FDA) that provide infant formula.
  3. The grocery store vendor is required to purchase all categories of WIC approved foods from wholesalers and/or distributors licensed and inspected by the regulatory authority in that jurisdiction where they are located, whether it be a State or local authority, in accordance with State law.
  4. The store cannot be currently disqualified from participating in the Supplemental Nutrition Assistance Program or the store has been assessed a Supplemental Nutrition Assistance Program civil money penalty for hardship and the disqualification period that would otherwise have been imposed has not expired.
  5. The store also cannot be currently disqualified from the Medicaid Program, or the WIC Program.
  6. The store cannot have had a WIC application denied within the six month period preceding the date of application.
  7. The store makes reasonable accommodations for shoppers who have disabilities.
  8. The applicant, current owners, officers, or store managers, during the last six years, have not been convicted of nor 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, and obstruction of justice.
  9. For any store currently participating on the WIC Program, the store has implemented all required corrective actions resulting from monitoring by the WIC State or local agency, including repayment of any overcharges to the WIC Program, and has attended any required training sessions due to the accumulation of 6 or more sanction points.
  10. The store was not sold by its previous owner to the current WIC applicant in an attempt to circumvent a WIC sanction.

**Vendor Selection  
Criteria (cont.)**

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11. The store must maintain regular business hours. This shall include a minimum of two, four-hour blocks of time on each of five days per week. Daily operating hours shall be consistent from week to week, and shall be posted.

12. The vendor has not violated the use of the WIC Acronym and/or WIC Logo, which are service marks owned by the Department of Agriculture (USDA). The vendor does not use these service marks in any manner of goods, containers, packaging, tags, labels, in advertising, and in other promotional mater

13. Each grocery store must have a current State of Nebraska Food Establishment Permit issued through the Nebraska Department of Agriculture. If the special purchase store is a pharmacy, a current inspection by the Nebraska Department of Health and Human Services that is satisfactory with a statement of full compliance is required. For all other special purchase stores, a current State of Nebraska Food Establishment Permit issued through the Nebraska Department of Agriculture is satisfactory.

14. The store's appearance is sanitary, with no evidence of a general lack of cleanliness, as determined during the WIC on-site visit.

The following specific items are checked:

- a. No evidence of excess un-removed rubbish;
- b. Floors clean, swept and free from dirt, grime, filth, and/or excess rubbish;
- c. Floors in good repair (no holes in floor);
- d. Garbage or refuse within the store premises is stored (covered) so that it is inaccessible to insects and/or rodents;
- e. No evidence of insects and/or rodents within the store premises;
- f. No evidence of thawing and then refreezing of foods (cans of frozen juice frozen together, cans of frozen juice are sticky, frozen packages of meat frozen together);
- g. Foods properly stored and/or refrigerated (frozen foods are frozen not soft, no evidence of frost build up on the freezer case or on the frozen food items);
- h. No evidence of food spoilage;
- i. No evidence of outdated formula, milk, eggs, bread, or cheese;
- j. No evidence of damaged goods for regular sale;
- k. No other clearly identifiable lack of cleanliness or safety.

15. The store is a permanent fixed location in Nebraska where the participants redeem their WIC checks. For example, a mobile food vendor or a farmer's market would not be eligible for authorization as an approved Nebraska WIC vendor.

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**Vendor Selection  
Criteria (cont.)**

16. Minimum stock inventory is available for all groups of WIC supplemental foods required for the type of store. The minimum stock inventory identifies the supplemental food items and quantities required.

17. The vendor has the capability to produce a dated cash register receipt or electronic journal entry documenting each WIC sale and identifying what specific items were purchased with the WIC check(s). This record must identify the store, date of purchase, product description, unit price for each item, and total. The vendor can produce this record for at least 60 days from the date of the transaction.

18. The purchase price is plainly marked on the product or shelf for each WIC approved supplemental food item.

19. Prices are not substantially different without reasonable explanation than those listed on the application as observed during the on-site visit.

20. Correct and true information was submitted on the application.

21. Prices, obtained during the store visit, are no more than 10% above the average price for a representative group of WIC supplemental foods for all stores within the same peer group. A vendor must maintain competitive prices for WIC approved supplemental foods throughout the contract period. Competitive prices are defined as follows.

- Prices charged to WIC customers for WIC supplemental foods must be equal or less than those charged to all other customers; and
- WIC retailers must be competitively priced and remain within 10% of the average price for the WIC supplemental foods for all stores within their peer group.

22. For any store currently participating on the WIC Program, there has been adequate WIC redemption activity. Adequate redemption is at least 25 or more WIC checks redeemed during the past 12 months of the current contract.

The WIC vendor must comply with the selection criteria throughout the contract period, including any changes to the criteria. Using the current vendor selection criteria, the Nebraska WIC Program may reassess the vendor at any time during the agreement period. If the vendor fails to meet the current vendor selection criteria, the agreement will be terminated.

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See Appendix I A for Approved WIC Food Items Minimum Stock Inventory

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