Nebraska WIC Program
Vendor Handbook for
Grocery Stores

October 1, 2021-September 30, 2024
Introduction

The Nebraska WIC Program (referred to as “the Program” throughout) created this handbook as a resource for our authorized vendors. The information contained within will provide your staff with the necessary tools to assist NE WIC participants. This handbook also functions as an extension of the NE WIC Vendor Agreement. Authorized vendors are contractually obligated to abide by the terms of both the Vendor Agreement and this Vendor Handbook.

The Program could not fully aid our participants without your partnership. We appreciate your commitment to providing the best service possible to your customers and WIC participants. We look forward to a positive and productive affiliation.

Definitions

Approved Product List (APL)–The full list of all foods that the Program authorizes for purchase with WIC food benefits. The most up-to-date version of this file is downloaded to your registers or stand beside device

Balance Inquiry (BI)–A transaction at a register or stand beside device that will allow a participant to see their current list of available WIC food benefits

Cash Value Benefit (CVB)–The dollar amount issued to participants for the purchase of fresh fruits and vegetables

Custom Data Processing (CDP)–The company contracted with the Program that manages and maintains our eWIC systems

Electronic Cash Register (ECR)–The Point of sale (POS) system used to process purchases and other transaction types at a store

eWIC Card–A plastic magnetic stripe card that participants use at the point of purchase to buy their WIC foods. This card functions similarly to a debit card. Benefits are loaded to an account and participants access those benefits with this card and their four (4) digit PIN

Fidelity Information Services (FIS)–The financial institution contracted with the Program to process WIC payments and provide stand beside devices for those vendors whose register systems cannot process WIC transactions

Fiscal Year (FY)–The Program’s FY runs from October 1-September 30

Food Instrument (FI)–The document participants use to purchase WIC-eligible foods. In Nebraska, the Program issues eWIC cards to our participants so that they may purchase their WIC foods

Integrated ECR–A register system that is fully capable of processing all transaction types including eWIC transactions. The majority of authorized NE WIC Vendors utilize an integrated ECR

International Federation for Produce Standards (IFPS)–Organization that advocates for the use of standardized PLUs. The NE WIC Program uses their standardized PLUs in our APL. www.ifpsglobal.com

Local Agency WIC Vendor Manger (LAVM)–Individual working for the Program who will function as the primary contact between a vendor and the Program
Not To Exceed Amount (NTE)—The maximum reimbursement that the Program will provide for the exchange of WIC benefits for a particular WIC-eligible food. See the NTE section for more details

Participant—Individual who receives WIC food benefits and may use an eWIC card to shop at an authorized vendor and purchase WIC-eligible foods

Personal Identification Number (PIN)—A four-digit number that is set by a participant to use their eWIC card

PIN Pad—An electronic device separate, but connected to an ECR where customers make a payment via an electronic card (debit, credit, SNAP, WIC, etc...)

Point of Sale (POS) Provider—Reseller from where vendor purchased their ECR or POS system

Price Look-up Code (PLU)—Four (4) or five (5) digit number used to identify fresh produce items

Sanction—An administrative action taken as the result of a violation of the terms of the Vendor Agreement, Vendor Handbook, or Selection Criteria

Split Tender—The ability for a register (or stand beside device) to allow at least two (2) different payment types to be used during a single transaction. For the purposes of the Program, split tender refers to a register’s ability to allow a participant to pay for their fresh fruits and vegetables with their CVB and another form of payment if their CVB does not cover the full cost of the produce

Stand Beside Device—An electronic device separate and not connected to a store’s register(s). These devices are used to process card types that your register is not capable of processing. A few authorized NE WIC Vendors use stand beside devices to process WIC transactions

State Vendor Management Coordinator—Individual who oversees the food delivery system (i.e. authorized vendors) of the Program

Supplemental Nutrition Assistance Program (SNAP)—A program that provides nutrition benefits to needy families to help them supplement their food budget. Formerly the Food Stamp Program

Universal Product Code (UPC)—A unique identification number assigned to items for retail sale

Vendor—Grocery or pharmacy retail merchants authorized to participate with the Program

Void—For the purposes of the Program and this handbook, a void is a process at a register that cancels a completed transaction and reverses the payment for that transaction. A void of a WIC transaction would return a participant’s benefits to their account

WIC Food Benefit—Participants are given a set of items (only produce is a straight dollar value) which are purchased with their NE eWIC card at authorized vendors
**What is WIC?**

WIC stands for the “Special Supplemental Nutrition Program for Women, Infants, and Children”

Congress established the WIC Program in 1972 in recognition of a need for adequate nutrition in pregnancy and early childhood. The WIC Program started in Nebraska in 1975. The Department of Agriculture provides funding to each state agency WIC Program. The Nebraska Department of Health and Human Services oversees the management of these funds and the general operation of the Program. Local agencies, operating approximately 100 WIC clinics across the State, contract with DHHS to provide WIC services to eligible participants.

WIC strives to prevent health problems before they occur by providing nutrition services to the following categories of individuals: women who are pregnant, postpartum, and/or breastfeeding; infants; and children up until the age of five. The services offered may include:

- Benefits to buy healthy foods
- Personalized nutrition information and support
- Tips for eating well to improve health
- Breastfeeding education and support
- Referrals to other services which can offer support and aid to the whole family

Individuals who would like to participate in the Program must also live in Nebraska, meet the Program’s income guidelines, and be determined to be at nutritional risk by a WIC dietitian or health care professional. The Nebraska WIC program currently provides food benefits to an average of 34,000 participants per month.

**WIC-Eligible Foods**

Participants receive food benefits each month to purchase supplemental foods at stores authorized by the Program. A WIC dietitian or other health care professional determines the nutritional needs of a participant and prescribes certain foods in specific amounts based on those needs. The Program specifically provides foods high in nutrients such as protein, Vitamin C, Vitamin A, Vitamin D, calcium, and iron. WIC participants are frequently found to have diets that lack these nutrients in sufficient quantities. The following table provides a reference for why these nutrients are important:

<table>
<thead>
<tr>
<th>Nutrient</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calcium</td>
<td>Aids in building strong bones and teeth and improves the function of muscles and nerves</td>
</tr>
<tr>
<td>Fiber</td>
<td>Helps your gastrointestinal system to function properly</td>
</tr>
<tr>
<td>Iron</td>
<td>Aids in preventing anemia as iron is necessary for red blood cell production and function</td>
</tr>
<tr>
<td>Protein</td>
<td>Important for proper growth and development</td>
</tr>
<tr>
<td>Vitamin A</td>
<td>Helps with eye health, promotes a healthy immune system, and needed for cell growth/development</td>
</tr>
<tr>
<td>Vitamin C</td>
<td>Necessary for normal growth/development and promotes a health immune system. Aids with iron absorption</td>
</tr>
<tr>
<td>Vitamin D</td>
<td>Necessary for bone health and aids with calcium absorption</td>
</tr>
</tbody>
</table>

All supplemental foods provided by the Program have been assessed for their nutritional content. These foods are also assessed to ensure that they meet the regulatory requirements for size, that their cost
would not create an undue burden to the Program, and that they are available within our State. The following types of foods may be eligible for purchase to NE WIC participants:

- Milk
- Yogurt
- Cheese
- Eggs
- Iron Fortified Cereal
- Brown Rice
- 100% Whole Wheat Bread
- Baby Food
- Soft Corn or Whole Wheat Tortillas
- Whole Wheat Pasta
- Vitamin C Fortified Juice
- Fresh and Frozen Fruits & Vegetables
- Peanut Butter
- Dried or Canned Beans
- Canned Fish
- Iron Fortified Infant Formula

The current list of the Program’s approved, eligible foods is available at request and is posted on our website.

**WIC Food Benefits**

Participants purchase WIC foods with their WIC food benefits at an authorized vendor. These benefits determine the types and quantities of WIC-eligible foods that a participant may purchase. Staff members at local clinics issue benefits to a participant’s account for specific months, up to three (3) months at a time. WIC food benefits are only accessible within the current month and benefits from one month do not roll over to the next or any future months. If a participant does not utilize all of their benefits for a given month, they lose those benefits at the start of the next month. The foods benefits of members of the same family are aggregated into a single account. Participants access and use these benefits via the Nebraska eWIC Card.

WIC foods are placed into specific categories and some categories are further organized into subcategories. Most categories of foods allow the participant to make choices within those categories. For example, the whole grain category has four different sub categories: whole wheat bread, whole wheat pasta, whole grain tortillas, and brown rice. When a clinic issues a whole grain benefit to a participant, the participant may purchase any of the eligible foods that fall into one of those four subcategories.

However, there are some categories where the participant must buy a specific type of food within that category. For example, when a clinic staff member issues a participant benefits for milk, they issue benefits for a specific type of milk, usually based on fat content. A participant with benefits for whole milk cannot use these benefits to purchase 1% or skim milk and vice versa. The participant may choose to purchase any eligible brand of milk, but they must buy the specific type of milk for which they have benefits. The same is true for yogurt and infant formula. In the case of infant formula, a clinic will give a participant benefits for a specific brand and type of formula. **Participants may purchase only the exact formula for which that have benefits with their eWIC card.**

These food benefits are given as an amount for a specific item and not a cash amount. In the examples above, a participant may be given a whole grain benefit of 1 lb. and a 1% or skim milk benefit of 4 gallons; the participant would not be given the cash value equivalent of those foods. The only exception is produce. Produce benefits are given as a flat dollar amount. When a participant uses their produce benefits (called cash value benefit or CVB), the total dollar amount of the produce item(s) is deducted.
from their account. Participants may purchase more produce than they have benefits. Produce purchased over their CVB will be left over for the participant to purchase with another form of payment. For example, if a participant has $2.75 remaining in their benefits and they purchase a $3.99 container of strawberries, their WIC food benefits will pay for $2.75 of the $3.99 and $1.24 will be left over for the participant to pay for with another form of payment. This is called split tender.

**NE WIC Approved Product List**

All of the nutritious, supplemental foods that the Program authorizes for participants to purchase are in our approved product list (APL). The APL is an electronic file that contains the full UPC—including the leading digit and check digit—of every food approved by the Program. A copy of this list is downloaded to your store’s register(s) or stand beside device. When a participant makes a purchase with their eWIC card, the copy of the APL at the register identifies the WIC-eligible foods in the participant’s order and allows the participant to purchase those foods using their WIC food benefits.

When the Program adds or removes foods from the APL, a new copy of the APL will be made available for download. A vendor’s register(s) or stand beside device should check for an updated APL every night and if a new version is found, that updated version should be downloaded automatically. If this does not occur, the vendor will need to contact their POS provider or IT department (or FIS if using a stand beside device) to ask them to manually download and update the NE WIC APL. Please note that if the APL version at a register or stand beside device is not up-to-date, errors may occur when trying to process WIC transactions.

Whenever the Program makes major changes to the APL, we will contact our authorized vendors 60 days in advance to inform them of the changes and to expect an updated version of the APL. A full copy of the APL is also available on our Program’s website. This copy is updated at least once every three (3) months or whenever major changes are made.

The APL has the final say as to what foods are approved for purchase by WIC participants. No one can override the APL. If a food is not approved for purchase, then it is either not a WIC-eligible food in our Program’s APL or the participant does not have benefits for that food. If a vendor or a participant believes that a particular food should be approved, but is not, they should contact the Program. When submitting a question regarding a food, please provide as much information as possible including the full name of the food, its size, the full UPC—including the leading digit and the check digit—and pictures (if possible). Food addition requests may be submitted via the WICShopper app. (see WICShopper sections for details) or may be submitted to DHHS.WICFoodsNE@nebraska.gov.

**Minimum Inventory**

Vendors must maintain a minimum inventory of WIC-eligible foods at all times; missing inventory must be made available within 72 hours of documentation. The current minimum inventory is in the following table. There are two different levels of minimum inventory for certain categories of food. These levels are dependent on the size of your store. The total number of front-end registers that your store operates determines store size. The Program does not count department registers or customer service registers when determining store size. Self-checkout (SCO) registers are counted by lane if the Program has certified them. (One (1) self-checkout lane is equal to one (1) front-end register. The Program
defines a SCO lane as a set of SCO registers with at least one (1) attendant who monitors these registers.) Here are the store sizes followed by the minimum inventories:

<table>
<thead>
<tr>
<th>Food Item</th>
<th>Small/Medium Stores</th>
<th>Large/Super Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gallon Milk – Whole, 2%, 1%, and Skim</td>
<td>6 total gallons, 4 must be 1% or skim</td>
<td>12 total gallons, 8 must be 1% or skim</td>
</tr>
<tr>
<td>Lactose Free Milk</td>
<td>Available Upon Request</td>
<td></td>
</tr>
<tr>
<td>Evaporated Milk</td>
<td>Available upon request</td>
<td>1 can of regular and 1 can of fat free</td>
</tr>
<tr>
<td>Soy Beverage</td>
<td>Available upon request</td>
<td></td>
</tr>
<tr>
<td>Cheese</td>
<td>A total of 4 lbs. of cheese, a minimum of 2 varieties</td>
<td></td>
</tr>
<tr>
<td>Low-Fat and/or Fat-Free Yogurt</td>
<td>2–32 oz. containers</td>
<td>3–32 oz. containers, minimum of 2 varieties</td>
</tr>
<tr>
<td>Whole Fat Yogurt</td>
<td>Available upon request</td>
<td>3–32 oz. containers, minimum of 1 variety</td>
</tr>
<tr>
<td>Eggs</td>
<td>4 packages of one dozen</td>
<td></td>
</tr>
<tr>
<td>Dry Beans</td>
<td>2–1lb. packages, minimum of 2 varieties</td>
<td></td>
</tr>
<tr>
<td>Canned Beans</td>
<td>8 total cans, minimum of 2 varieties</td>
<td></td>
</tr>
<tr>
<td>Peanut Butter</td>
<td>2–16 (or 18) oz. containers</td>
<td></td>
</tr>
<tr>
<td>Light Tuna (in water or oil)</td>
<td>12 total cans–5 oz. or larger</td>
<td></td>
</tr>
<tr>
<td>Pink Salmon</td>
<td>12 total cans–5, 6, or 7.5 oz. or 4 total cans–14.75 oz.</td>
<td></td>
</tr>
<tr>
<td>100% Whole Wheat (WW)Bread</td>
<td>4–16 oz. loaves</td>
<td></td>
</tr>
<tr>
<td>Brown Rice</td>
<td>6 total packages of any combination of these three. E.g.: 6 packages of tortillas; or 2 packages of brown rice, 2 of tortillas, and 2 of pasta; or 3 packages of brown rice and 3 of pasta</td>
<td></td>
</tr>
<tr>
<td>Corn or WW Tortillas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WW Pasta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fresh Fruits &amp; Vegetables</td>
<td>10 varieties each of fresh fruits &amp; fresh vegetables</td>
<td>12 varieties each of fresh fruits &amp; fresh vegetables</td>
</tr>
<tr>
<td>Frozen Fruits &amp; Vegetables</td>
<td>No requirement (subject to change)</td>
<td></td>
</tr>
<tr>
<td>Juice–64 oz. bottled</td>
<td>4 total bottles, 2 varieties</td>
<td></td>
</tr>
<tr>
<td>Juice concentrate</td>
<td>6 total cans–11.5 or 12 oz., 2 varieties</td>
<td></td>
</tr>
<tr>
<td>Cold Cereal</td>
<td>12 total boxes, minimum of 6 varieties (4 of which must be whole grain)</td>
<td></td>
</tr>
<tr>
<td>Hot Cereal</td>
<td>2 total boxes, 1 variety</td>
<td></td>
</tr>
<tr>
<td>Infant Cereal</td>
<td>3 cartons, 2 varieties</td>
<td>6 cartons, 2 varieties</td>
</tr>
<tr>
<td>Baby Food Fruits &amp; Vegetables</td>
<td>32 jars or 16 2-packs, 2 varieties each of fruits and vegetables</td>
<td>64 jars or 32 2-packs, 4 varieties each of fruit &amp; vegetables</td>
</tr>
<tr>
<td>Baby Food Meat</td>
<td>Available upon request</td>
<td>31 jars, 2 varieties</td>
</tr>
<tr>
<td>Similac Advance Formula–12.4 oz. powder</td>
<td>6 total cans</td>
<td>24 total cans</td>
</tr>
</tbody>
</table>

All other WIC-eligible infant formulas must be available upon request
The Program issues eWIC cards to our participants. A participant uses this card each time they would like to purchase something with their issued WIC food benefits. Below is an image of the card:

Vendors will process WIC transactions via either their integrated ECR system or their separate stand beside device. The general flow of a WIC transaction will be described for both processing types.

**Integrated ECR Transactions**

*Note: there are many different types of ECRs. The information below regarding how to process WIC transactions for these registers will be general. Individual register systems function differently across stores. As such, some of the information below may not correspond with the specific ECR that a vendor operates at their store. It is the responsibility of the vendor to train their staff on the proper use of their ECR and to work with their POS provider or IT department should any issues with their system arise. However, your local agency WIC vendor manager (LAVM) is available to assist with WIC transactions and a vendor may request in-person training sessions for processing WIC transactions.*

- The participant will shop at your store and bring their items to the register for purchase
- The cashier will scan all of the items
- The cashier will total the order and the participant may start the payment process
- The participant will swipe their eWIC card at the nearby PIN pad. **Their eWIC card must be used first, before any other payment type**
- The PIN pad will ask the participant to accept or reject the charges to their WIC food benefits and it will display the total dollar value of the foods that WIC will pay for
  - At this time, a slip will print that will show the participant’s available WIC food benefits and it will show which foods that WIC will pay for if the participant were to accept the charges
  - The cashier should hand this slip to the participant for review
  - If the participant agrees with the slip, then they will press “Yes” to accept the charges and continue the transaction
  - If the participant disagrees, then they may press “No” to reopen the transaction and adjust the order as needed
• After the participant presses “Yes”, the WIC foods that the participant has benefits for will be purchased: their benefits will be deducted from their account and a payment request will generate for the store
• If there are non-WIC items in the order or if the participant is purchasing more produce then they have benefits, then the transaction will remain open and the participant can use another form of payment to pay for those items. **If there are only WIC foods in the order that the participant has benefits for, then after the participant presses “Yes”, the transaction will conclude and close**
• After all items have been paid for, the transaction will finish and the cashier will hand the receipt to the WIC participant

**Notes for Integrated ECRs**

• Participants may purchase both WIC and non-WIC items in the same transaction
• The eWIC card must be used as the first form of payment. If a participant uses any other payment type first (e.g, SNAP, debit, credit, or cash), then the WIC-eligible items will be paid for with those other payment types
• Coupons and other discounts may be applied, however some discounts (usually a discount applied to the total order) have been known to cause issues with WIC transactions. Vendors should speak with their POS provider or IT support if they are having difficulty applying discounts during WIC transactions
• The participant must approve the utilization of their WIC food benefits by pressing “Yes” on the PIN pad when prompted. **Note: A couple of register systems automatically approve the participant’s WIC-eligible foods. It is imperative that cashiers using these types of systems know how to void transactions in the event that the participant believes there to be a discrepancy between what they thought WIC would pay for and what WIC actually paid for**
• If the cashier needs to void a WIC transaction and reverse the payment, the void **must** be done prior to the completion of the transaction. After the transaction is closed and the final receipt prints, most ECRs are not capable of voiding and reversing a transaction
• If a vendor needs some general assistance with WIC transactions, they can contact their LAVM, the State Vendor Management Coordinator, or the WIC Program Specialist (contact information is included with this Handbook as a separate document) for assistance with troubleshooting. However, if a vendor’s register system or PIN pad is causing an issue with processing WIC transactions, they will need to contact their POS provider or IT support team to resolve the issue
• Vendors operating an integrated ECR must map their produce items in order for them to be purchasable by WIC participants. Please refer to the following Produce Mapping Section for details

**Produce Mapping**

*Note: this information regarding producing mapping applies only to vendors who process WIC transactions via an integrated ECR. Vendors using stand beside devices do not need to map produce.*

The Program has the UPCs for all of its WIC-eligible foods in the APL **except** for fresh produce items; UPCs for fresh produce items are not in our APL. However, our APL does contain almost every PLU that is standardized by the International Federation for Produce Standards. Fresh produce items that have UPCs instead of PLUs, need to be mapped or linked to a PLU that is in our APL in order for those items to
be purchasable with WIC food benefits. The specific mapping process will depend on a vendor’s POS system. Please contact your POS provider or IT department for information on how to map produce and contact the Program if you need help identifying which produce items need to be mapped.

- When mapping items, please use a PLU that most closely matches the produce item
- If a package contains multiple types of produce, a vendor may map that product to the PLU of the most abundant produce item within the package
- We ask that you do not use the generic PLU 4469
- Produce items with PLUs on them do not need to be mapped. You can scan or enter the PLU
- Vendors will need to map produce items that are produced and packaged at their store. For example, if a store cuts and packages pineapple, they will generate a UPC for that item. That UPC must be mapped to a PLU in order to be sold to WIC participants
- If a vendor uses their own store codes for a produce item, that item will need to be added to an order using that item’s PLU or the code will need to be mapped to a PLU
- Please refer to the NE WIC Food List for information about which produce items are WIC-eligible
- Frozen produce items do not need to be mapped

**Stand Beside Device Transactions**

*Note: vendors who have cash registers that are not capable of processing WIC transactions may use a stand beside device. FIS, a contractor with the Program, provides these devices. Vendors in need of a stand beside device must complete a separate application with FIS to acquire a device. When a vendor completes an application with the Program, we will work with our contractors and the vendor’s POS provider to determine if their current ECR is capable of processing WIC transactions.*

- The participant will shop at your store and bring their WIC-eligible foods to the register for purchase
- The cashier will press F2 to for “WIC Purchase”. The participant or the cashier will swipe the eWIC card at the device then the participant will enter their PIN on the separate PIN pad
- The cashier will use the handheld scanner to scan each food (save produce until the end). If a food is WIC-eligible and the participant has benefits for it, then the device will ask for a price
- The cashier will manually key in a price for each food as they scan each food
- After all non-produce foods have been entered, the cashier will press F1 for “Total”
- The next screen will ask “Enter CVB?” If the participant has produce (fresh or frozen), the cashier will press F1 for “Yes” (press F2 for “No” if there are no produce items) and they can now add produce items to the order. **You will never scan produce when using a stand beside device. The cashier will simply enter in the total purchase price for each produce item**
- Press F1 for “Total” after all produce items are entered
- Next, the device will ask to enter in any coupons or discounts. Press F1 if there are discounts to enter or F2 if there are no discounts. *Enter in discounts as a price similar to produce items. You will never scan a coupon.* Press F1 for “Total” to continue if you entered in discounts
- The device will ask to continue. The cashier can press “Yes” to finalize the transaction or “No” to keep it open and adjust as needed. After “Yes” is pressed, the transaction will be finalized: the participant’s WIC food benefits will be utilized, a payment request will generate for the vendor, and a receipt will print
- The cashier will hand the receipt to the participant
Notes for Stand Beside Devices

- Stand beside devices can process only WIC-eligible foods that the participant has benefits for
  - If a food is not a WIC-eligible, then an error message will display that says “Not WIC Approved Invalid WIC Item Press any Key…”
  - If the food is WIC-eligible, but the participant does not have benefits for it, then an error message will display that says “QTY Not Avail to Cardholder Press any key…”
- Cashiers may swipe the participant’s eWIC card at the device, but only the participant may enter their PIN on the separate PIN pad
- The device has a copy of the Program’s APL. This copy should update automatically if any changes are made to the APL. For this update to occur, it is recommended that the device be left plugged in and connected to the Internet at all times
- While the device knows which foods are WIC-eligible, it does not know the prices that your store charges for those foods. The cashier will need to enter the price for each food as they are scanned
- If the participant needs the cashier to void and reverse the transaction after it has been finalized and closed, then the cashier must void the transaction immediately after it completes. **If any other action is taken, then the ability to void the transaction will be lost.** Please refer to the device manual or contact the Program for instructions on how to void a transaction
- Please contact the Program if you need assistance with WIC transactions. If you need assistance with your device, please contact FIS via the 800 number that is located on the front of the device

General Transaction Notes

The following is a list of considerations that apply to all WIC transactions.

- A participant may ask for a balance inquiry at any authorized vendor at no charge to the participant
- The eWIC card must be physically present at the time of purchase
- The participant or a cashier may manually input the card number if the card is not swiping at the PIN pad (or stand beside device), but again, the card must physically be present
- The eWIC card is the most restrictive form of payment and therefore needs to be the first form of payment used. If any other form of payment is used first, then the WIC-eligible foods will be paid for with that form of payment
- The eWIC card is PIN protected
- The participant will have four (4) attempts to enter their PIN correctly. If they fail on the fourth attempt, the card will lock and they will need to reset their PIN or wait until the next day for it to unlock
- Store staff must not ask for the participant’s PIN nor should the participant share their PIN with anyone at the store
- Cashiers cannot override items. If a food is not coming up as WIC-approved, then the food is not a WIC-eligible food or the participant does not have benefits for that food. **Please contact the Program if you or a participant feels this is an error and the food should be approved**
- Participants can purchase as few or as many WIC foods as they want (and can) in any transaction and they may make as many WIC purchases as they want during a month until they utilize all of their benefits
Additional Information

The information found in the remaining sections of this handbook apply to all authorized grocery vendors. Please review this information carefully and contact the Program if you have any questions.

Settlement

The eWIC system allows vendors to receive payment soon after a WIC transaction is completed and processed. The settlement cutoff time for WIC purchases is 6pm. Purchases made before 6pm will settle the next day and purchases made after 6pm will settle the day after the next day. For example, a WIC purchase made at 11am on Monday, will result in a payment to the vendor’s bank account the next day (Tuesday). A purchase made at 7pm on Monday, will result in a payment to the vendor’s bank account the day after the next day (Wednesday).

Settlement rules follow typical banking practices: purchases made between 6pm on Friday and 6pm on Sunday will settle on Monday and purchases made on holidays will settle the next banking day. Note: our State has two time zones. The 6pm settlement rule generally applies to Central Standard Time. As a result, stores in the Mountain Time (MST) Zone may find that purchases made between 5pm and 6pm MST may settle one (1) day from the date of purchase or two (2) days.

Selection Criteria

The Program uses its Selection Criteria to determine if applicant and authorized vendors meet the minimum requirements to be authorized with the Program. A vendor must meet these criteria prior to authorization with the Program and they must meet these criteria at all times during their contract period. Vendors who fail to maintain compliance with these criteria may be subject to sanction and could be removed from the Program. The Program may update or change the Selection Criteria as needed. Authorized vendors must comply with any updates as well. The Program will communicate any changes before implementing those changes. The full Selection Criteria is posted on the Program’s website and a copy is attached with this handbook.

Infant Formula

The Nebraska WIC Program authorizes two categories of infant formula for purchase: standard milk and soy formulas and specialty or medical formulas and nutritionals. The Program procure a rebate contract for standard milk and soy based formulas with one formula manufacturer for a designated period of time. This is done to provide those infant formulas at a reduced cost to the Program so that we are able to serve more participants. Authorized vendors are required to carry at least one (1) variety (Similac Advance) of infant contract formula at all times. The NE WIC Program currently has a contract with Abbott Laboratories for Similac products. A list of those products has been included with this handbook.

Authorized grocery vendors are not required or expected to carry specialty formulas at all times, but vendors must provide these formulas within 72 hours if a participant requests one. We ask that you please work with any participants who make a request for a specialty formula. Review their benefits...
with them to ensure that you are ordering the correct product. If your system is telling you that the formula is not available, please call your distributor directly and ask about the product’s availability. In addition, once you order the product, please ensure that it is properly set up in your system for sale. If you are having difficulty acquiring or selling one of these formulas to a participant for any reason, please contact your LAVM for assistance. A full list of the specialty/medical formulas is included with this handbook. You may contact the State WIC office for the current specialty formula prices for which the Program will reimburse you.

Note: the Program does not have UPCs for cases of formula in our APL. For a participant to be able to use their formula benefits, store staff must scan the barcode of the individual formula units and not the barcode on a case.

The Program is required to produce and maintain a list of suppliers from where authorized vendors may procure their infant formulas. Authorized vendors may purchase and subsequently sell infant formulas from only the sources included in the following list:

- AmerisourceBergen
- McKesson
- Walgreens Distribution Center
- SpartanNash
- Affiliated Foods
- Associated Wholesale Grocers
- Hy-Vee Distribution Center
- Walmart Distribution Center
- Dillon/Kroger Distribution Center
- Target Distribution Center

**Peer Groups**

The Program places its authorized vendors into peer groups to monitor cost competitiveness. In order to serve as many WIC-eligible individuals as possible, the Program must be mindful of the prices our vendors are charging for their WIC-eligible foods. Placing vendors into peer groups, allows the Program to monitor these prices effectively.

The Program has created eight (8) peer groups. These peer groups are designed to compare vendors fairly by placing vendors with similar characteristics into the same group. The characteristics the Program considers are the total number of front-end registers, store size, type of store, and location (whether a store is located in an urban or rural area). We compare the prices from each vendor within a peer group to the average prices for that group. These averages are also used to create the NTEs for each WIC-eligible food in each peer group.
NTEs

Each unique UPC in the NE WIC APL has a not-to-exceed amount (NTE) and the NTEs for each food are different across each peer group. These NTEs are the maximum amount that the Program will pay a vendor for a particular food purchased by a WIC participant. NTEs are the primary way that the Program enforces cost containment. When we add a new food to the APL, we calculate an initial NTE based on pricing data from vendors. After this initial calculation, all NTEs are updated automatically based on actual WIC redemptions at our authorized vendors; the NTEs will increase or decrease as the actual prices at our authorized vendors increase or decrease.

Training

The Program must provide authorized vendors with training every year. The Program will typically provide this annual training as an electronic document sent out near the end of each fiscal year. This training details the following important information about the Program:

- the purpose of the Program
- the supplemental foods authorized by the Program
- the minimum inventory for those foods
- a list of the approved formula manufacturers/distributors from which vendors can purchase infant formula
- general information on processing WIC transactions
- the Program’s administrative action procedures (sanctions)
- how to file a complaint with the Program
- the Program’s claims procedures
- the Program’s policy on incentive items
- any changes since the last required training

The Program must also provide interactive training at the time of authorization of a new vendor and at least once every three (3) years. This training has much of the same content as the annual training, but it allows the vendors an opportunity to ask questions or make comments and receive immediate feedback. The Program provides this training during reauthorization years in place of the annual training. We call this training Agreement Training because it occurs just before our vendors sign a new agreement with the Program, whether the vendor is new to the Program or is undergoing reauthorization.

Note: Authorized vendors are required to attend the interactive training sessions at least once every three (3) years and vendors must review the yearly annual training. Vendors are also required to train their staff on WIC procedures. When a vendor trains staff, they must document that training and the Program must be allowed to view this documentation if requested. Documentation forms are available on our website. Vendors may request training at any time from their LAVM. See below.

Other training options are available to vendors as needed:
- Vendors are encouraged to request training sessions for their staff at any time during their agreement period. LAVMs can even bring an eWIC card so that staff members can train on WIC transactions as well as the basics of the Program.
- Vendors may be required to accept additional training if they receive a certain number of sanction points.
- Self-training materials are available on our Program’s website. These trainings go over Program basics such as how to identify WIC-eligible foods and how to process eWIC transactions.

**Reauthorization**

Per federal regulations, vendors may not be authorized with any State WIC Program for longer than three (3) years. Every three (3) years, the Program sends out new applications for its authorized vendors to complete. Vendors who want to remain authorized with the Program must complete a new application and submit to an on-site inspection visit. The NE WIC Program also requires that vendors attend an interactive training session during reauthorization years. The current contract period will end on September 30, 2021 and the next contract period will run from October 1, 2021 through September 30, 2024. During the spring of 2024, reauthorization for the next contract period will begin.

**Complaint Process/Fraud or Abuse Reporting**

Vendors may file a complaint against a participant or the Program. The vendor should contact their LAVM who can take information regarding the complaint and create an official record in the vendor’s electronic file. Complaints will be discussed with the LAVM and the State Vendor Management Coordinator and the appropriate action will be taken.

If a vendor suspects fraud or abuse of the Program (whether actual or attempted), the vendor may use the same process to inform the Program. Under no circumstance should a vendor contact or confront a participant regarding the suspicion of fraud or abuse.

**Store Information & Communication**

Vendors are encouraged to communicate regularly with their respective LAVM if they have any questions or concerns. The Program wants to assist our vendors in providing the best possible shopping experience for our participants. We also want to get ahead of any potential issues.

The Program asks that vendors please provide any updated information about your store to the Program promptly. This includes a change in contact information such as a new phone number, email address, or in-store contact. The Program asks that each vendor designate a specific person as the point of contact for the Program. Please email any of the above changes to your LAVM or the State Vendor Management Coordinator.

If the store changes its name or its address, then a more formal notice is required. Please notify the State Vendor Management Coordinator of a name or address change. The State Vendor Management Coordinator will draft an addendum to the vendor’s signed agreement with the new information and send it to the vendor for their signature. Vendors who change store location will need to submit to a routine monitoring visit by the LAVM within three (3) months of starting operations at the new location.
If the new address is in another city, then the current agreement must be terminated and the vendor will need to reapply and go through the full authorization process.

If the vendor goes through an ownership change, then the agreement must be terminated and the new owner will need to apply for authorization. The Program will send out a termination letter for the current owner to sign to confirm the date of the agreement's termination. In addition, an owner may voluntarily withdrawal from their partnership with the Program and terminate their agreement at any time. The State Vendor Management Coordinator or the vendor’s LAVM will send a letter to the owner to sign to confirm the date of termination. The Program does ask that if you would like to voluntarily terminate your agreement, please give the Program a 30-day notice, if possible.

**Confidentiality of Vendor Information**

Confidential vendor information is information about a vendor that individually identifies the vendor, except for the vendor’s name, address, telephone number, website, email address, store type, and authorization status. The NE WIC Program limits the disclosure of confidential information to the following:

- Persons directly connected with the administration or enforcement of the WIC Program or the Supplemental Nutrition Assistance Program (SNAP)
- Persons directly connected with the administration or enforcement of any Federal or State law
- A vendor that is subject to an adverse action and the confidential information concerns the vendor subject to the adverse action and is related to the adverse action

**Additional Program Rules & Requirements**

- A cashier or attendant must be present or available for all WIC transactions. This includes transactions at self-checkout registers
- Self-Checkout registers may or may not be able to process WIC transactions. SCO registers must be certified separately from a vendor’s primary front-end registers
- Vendors must not charge a tax of any kind on any WIC-eligible food
- Vendors may not provide rain checks for items not currently in stock. If a participant would like to purchase an item that is not in stock, then the vendor can tell them when the food will be available so that they may return and purchase it at that time
- **No substitutions**. Vendors should provide WIC-eligible foods to participants only if those foods are approved at the register. If a food is not approved at the register, that food is either not a WIC-eligible food or the participant does not have benefits for it
  - Do not scan another WIC-eligible item or UPC to trick the system into approving the non-WIC food. If a vendor provides non-WIC foods to a participant in exchange for their WIC food benefits, then that vendor may be at risk of being disqualified for substituting items
  - It is possible that an error occurred and that the participant should be able to purchase that food with WIC food benefits, but err on the side of caution and do not provide that food to the participant. Instead, please contact your LAVM or the State Vendor Management Coordinator to work on a solution. If a food is WIC-eligible and provided for a participant without the participant exchanging their WIC food benefits, then a vendor may not be at risk
of being disqualified, but there is no guarantee that the Program will be able to reimburse the vendor for those items

- **No exchanges.** Do not provide refunds or exchanges for purchased WIC foods. Exchanges are permitted only if the purchased food(s) is defective in some way such as it is damaged, spoiled, past its expiration date, or recalled. When exchanging a purchased WIC food for one of the above reasons, provide the participant with the exact food item (type, brand, size, etc...) as the one they are requesting an exchange for and do not do anything with the participant’s eWIC card. The benefits were already used to purchase the defective food. You are providing the participant with the same non-defective product. Otherwise, you may follow your own store policies regarding exchanges
- **Vendors must not offer incentive items exclusively to WIC participants**
- **Vendors may not store a participant’s card, card number, or PIN.** Vendors may not perform WIC transactions with participants remotely. Participants must use their eWIC card at the vendor’s location and at a certified register or stand beside device. *(WIC staff members—LAVM or State Vendor Management Coordinator—may request to do test transactions over the phone to assist with troubleshooting WIC transactions/issues. We ask that our vendors allow this, but the Program will not force a vendor to comply with this request)*
- If a vendor should find a lost eWIC card, please return it to the Nebraska State Office Building. The address is located on the back of the card in the bottom right corner
- **Vendors should never contact participants to seek reimbursement for a WIC transaction.** If you have concerns regarding a transaction, please contact your LAVM or the State Vendor Management Coordinator
- **Vendors should not confiscate a WIC participant’s eWIC card or confront a participant on the suspicion of fraud.** If you believe a participant is committing or attempting to commit fraud, please contact the Program
- **If a vendor believes they were not properly reimbursed for a WIC transaction, they may speak with the State Vendor Management Coordinator to discuss the situation.** The vendor may be asked to provide documentation such as transaction records (receipts, ECR journal entries, or other). **Reimbursements are not guaranteed and will be done at the discretion of the Program**

**Shelf Labels/Door Decals/”eWIC This Lane” Sign**

The Program will provide its authorized vendors with official Nebraska WIC Shelf Labels and Door Decals. The labels must be posted on the shelf next to the price sticker to assist participants in identifying WIC-eligible foods. The door decal(s) must be posted at every primary store entrance to identify the store as capable of transacting Nebraska WIC food benefits.

The Program will provide an “eWIC This Line” sign for vendors who use a stand beside device to process eWIC transactions. Vendors may request replacement labels or decals at any time.

**WICShopper App.**

The Program offers our participants use of a free phone app. called WICShopper. This application allows our participants to view their most current food benefit balance, a list of authorized vendors near their location, the full Program Food List, and much more. The application is also capable of scanning
barcodes on items. When a participant goes shopping, they can scan the barcode on a food package and the application will tell them if they food is WIC-eligible and it can tell them if they have benefits for that particular food. We encourage our participants to use this application. Our vendors’ staff members, at the vendor’s discretion, may use the application as well. It is free and it can assist with helping WIC participants have a better shopping experience.

Monitoring Activities

Authorized vendors agree to have their activities monitored for compliance with the Program’s rules and regulations as listed in the Vendor Agreement, this Vendor Handbook, and the Selection Criteria. There are different types of monitoring visits that can be conducted by a representative of the Program. The Program may also conduct an audit of a vendor’s inventory records. Vendors are also required to self-report their prices for various WIC-eligible foods twice each FY. The different types of monitoring activities are described below.

Educational Buys

The Program wants to assist our vendors in providing the best possible shopping experience for WIC participants. The primary purpose of an educational buy is to assess your cashiers’ ability to process WIC transactions and the produce mapping (if applicable) at your store. These visits are a proactive approach to assist our vendors with any training or mapping deficiencies and help to identify any compliance issues before they become violations. They also give vendors an opportunity to discuss any issues or concerns directly with a Program representative. Educational Buys are conducted by your LAVM.

Routine Monitoring

A routine monitoring visit is a full on-site visit of an authorized vendor. It will be conducted by a LAVM. The LAVM will assess the vendor to ensure that they are meeting all terms of the Agreement, Handbook, and Selection Criteria. The LAVM will check minimum inventory levels, shelf labels, store cleanliness, training documentation, and much more. These visits will be scheduled with a member of the store’s ownership or management and the results will be discussed with a representative of the store. If a violation(s) is detected during the visit, the LAVM will give the store a set amount of time to correct the violation(s). If the violation(s) is not corrected within that timeframe, then the vendor may be subject to sanctions. (This applies to violations that require a pattern before administrative action may be taken. See the sanction section for more details.)

Unannounced Visits

The Program may also conduct visits unannounced and in a covert manner. These visits will assess the vendor for many of the same items as a routine monitoring visit, but the vendor will not be aware at the time of the visit. Any compliance issues discovered during these visits will be discussed with the vendor and the vendor may be issued a warning letter or a sanction as a result of the visit.
**Inventory Audits**

The Program may conduct an inventory audit of its vendors to ensure that the vendor is and has been meeting the minimum inventory requirements and that the sales of WIC food items match the reported inventory levels of the vendor. The Program may request up to 12 months of inventory records in the form of purchase invoices. The vendor will be given two (2) weeks to provide the records from the date of request. Failure to produce the records may result in sanction points being levied against the vendor.

**Price Survey**

Twice every FY, the Program must collect data about our vendor’s prices. We collect these data to assess cost competitiveness to ensure our vendors’ prices are not causing an undue burden to the Program. The Program will send out a price survey and ask our vendors to self-report their current shelf prices for the requested WIC-eligible foods. When a survey is sent out, a vendor has two weeks to complete and return the survey. Failure to do so can result in the Program levying sanction points against the vendor. This is a federal requirement.

Surveys are typically sent out in the fall and in the spring via email. A notice will be sent at least one (1) week prior to the survey being sent out. After the survey has been sent, the LAVMs will follow-up with their respective stores to ensure the receipt of the survey and its completion.

**Sanction Schedule (Administrative Action)**

Sanctions are the primary tools used by the Program to enforce administrative action upon a vendor for a violation of the terms of the Vendor Agreement, the Vendor Handbook, or the Selection Criteria. There are two types of sanctions: federal and state. Federal sanctions occur as the result of a violation(s) of a WIC Program regulation that applies to all state WIC Programs. State sanctions occur as the result of a violation(s) of a Program rule or regulation specific to the NE WIC Program.

**Sanction Vocabulary**

**Investigation**—A method used by the State WIC office to determine if violations are occurring. Investigations may be overt or covert.

**Pattern**—Two or more documented incidences of the same violation.

**Sanction**—An administrative action taken as a result of a violation.

- Mandatory Federal Sanctions are mandated in the federal regulations for the WIC Program and have disqualification periods associated with each violation.
- State Agency Sanctions use a point system. Each violation has a corresponding point value and duration for those points. Points can accumulate and if a vendor reaches a certain threshold of points, the vendor may be disqualified from the Program for a set period of time.
**Vendor Violation**—Any action, intentional or unintentional, by a vendor’s current owner(s), manager(s), agent(s), officer(s), or employee(s), with or without the knowledge of management, that violates the Vendor Agreement or Federal or State statutes, regulations, policies, or procedures governing the NE WIC Program

### Mandatory Federal Violations

The following are mandatory federal violations that result in a disqualification from the NE WIC program.

**Permanent Disqualification**

- Permanent disqualification from SNAP
- One conviction by a criminal court of trafficking WIC Food Instruments (FI) or selling firearms, explosives, or controlled substances in exchange for WIC FIs. A retailer shall not be entitled to receive any compensation for revenues lost as a result of this violation

**Six-Year Disqualification**

- One incidence of buying or selling WIC FIs for cash (trafficking) *
- One incidence of selling firearms, ammunition, explosives, or controlled substance in exchange for WIC FIs *

**Three-Year Disqualification**

- One incidence of the sale of alcohol or alcoholic beverages or tobacco products in exchange for WIC FIs *
- A pattern of claiming reimbursement for the sale of an amount of a specific supplemental food item which exceeds the store’s documented inventory of that supplemental food item for a specific time period *
- A pattern of retailer overcharges *
- A pattern of receiving, transacting, and/or redeeming WIC FIs outside of the authorized channels, including the use of an unauthorized retailer and/or an unauthorized person *
- A pattern of charging for the supplemental food not received by the WIC participant *
- A pattern of providing credit for non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunitions, explosives, or controlled substances in exchanges for WIC FIs *

**One-Year Disqualification**

A pattern of providing unauthorized food items in exchange for WIC FIs including charging for supplemental foods provided in excess of those listed in a participant’s WIC food benefits *

**Second Mandatory Federal Sanctions**

When a retailer who previously has been assessed a sanction for any of the violations identified with an asterisk (*) receives another sanction for any of these violations, the Program will double the second sanction. Civil Money Penalties (CMPs) will be double up to the maximum limits.
Third or Subsequent Mandatory Federal Sanctions

When a retailer who previously has been assessed a sanction for any of the violations identified with an asterisks (*) receives another sanction for any of these violations, the Program will double the third and all subsequent sanctions. The Program will not impose a CMP in lieu of disqualification for the third or subsequent sanctions for these violations.

Disqualification Based on SNAP Disqualification

The Program will disqualify a vendor who has been disqualified from SNAP. The disqualification will be for the same length of time as the SNAP disqualification. It may begin at a later date than the SNAP disqualification and is not subject to administrative or judicial review under the WIC Program.

Voluntary Withdrawal of Nonrenewal of WIC Vendor Agreement

For any of the mandatory federal violations, the Program will not accept voluntary withdrawal of the retailer from the Program as an alternative to disqualification. The Program will enter the disqualification on the vendor’s record. In addition, the Program will not use nonrenewal of the WIC Vendor Agreement as an alternative to disqualification.

State Agency Violations

The Nebraska WIC Program has implemented a sanction point system to monitor objectively its authorized vendors. Below is a list of the state agency violations with their associated sanction points and duration.

All state agency violations require a pattern to be established before sanction points may be levied. When a violation is observed, the State Vendor Management Coordinator will send a written warning to the vendor detailing the violation with the potential consequences if the violation is observed again. The warning will remain in effect for the same duration as the potential sanction. For example, a vendor who commits a violation that would result in five (5) sanction points for a three (3) month duration would receive a warning that would last for three (3) months. If the vendor commits again the same violation—as stated in the warning letter—within the three (3) month timeframe, then the vendor will be assessed five (5) sanction points for three (3) months. The duration of the sanction points or warning starts on the date of their assessment.

Fifteen Points & Twelve-Month Duration

- Accepting food instruments (NE eWIC cards) while the vendor is disqualified or not authorized
- Failing to purchase infant formula from only the approved sources as maintained by the NE State WIC office
- Failure to provide complete and acceptable purchase invoices, inventory records, and/or receipts for documentation of inventory and payment of WIC-authorized supplemental food items from a wholesaler, distributor, other points of purchase to the NE State WIC office upon request

Ten Point & Six-Month Duration

- Offering incentive items solely to WIC participants
• Requiring WIC participants to purchase other items when redeeming WIC food benefits
• Charging sales tax for WIC supplemental food items including authorized infant formula (standard contract formulas and specialty/medical formulas)
• Discourteous treatment of WIC Participants
• Attempting to seek additional reimbursement from a participant for an eWIC transaction. Any transaction disputes must be brought to the attention and handled by the Program
• Failure to maintain the appropriate minimum inventory of WIC authorized foods. Missing inventory must be available within 72 hours from the time of observation and must be verified by a representative of the Program
• Failure to provide infant formula (contract or specialty/medical) within 72 hours upon request by a participant
• Failure to allow authorized participants to use their food instrument(s) (NE eWIC Card) at your store
• Failure to provide sales data information to the department upon request
• Failure to attend interactive training sessions offered by the Program or failure to accept annual training distributed by the Program

Five Points & Three-Month Duration

• Failure to maintain and post regular business hours as outlined by the vendor selection criteria
• Using the WIC acronym or logo for any purpose without the Program’s approval
• Failure to use the official Nebraska WIC Program shelf labels to identify WIC-authorized supplemental foods. This includes not using the labels or using unofficial labels
• Failure to mark clearly the final purchase price of WIC-authorized foods either on the food item itself or on the shelf
• Failure to provide fresh and wholesome foods in a sanitary environment. Including stocking or selling expired WIC supplemental foods or any evidence of pest infestation
• Failure to process WIC transactions inside the authorized store location at a certified register
• Manually inputting a participant’s eWIC card number without the card being present during a transaction (does not apply to tests performed by representatives of the Program)
• Failure to allow WIC participants to use coupons, savings cards, promotions, price matching, or any other discounts during WIC transactions
• Requirement that WIC participants provide identification when using their eWIC card
• Failure to provide WIC participants with a final itemized cash register receipt at the end of a transaction
• Failure to provide cash register receipts, electronic journal entries, or acceptable records of WIC transactions to the Program upon request
• Failure to submit a complete and accurate Price Survey within two (2) weeks from the date of request

One Point & Three-Month Duration

• Failure to display the official Nebraska WIC Vendor door decal in a prominent place
• Failure to map produce
• Failure to update your register(s) APL when a new version is available
The Program will take the following actions upon assessment of a certain total number of points:

- 1-5 points—The Program will notify the vendor via official letter that X number of points have been levied against the vendor for a documented violation.
- 6-15 points—The vendor will receive an official letter regarding the levied sanctions and a warning that should more points be assessed, the vendor could be disqualified from the Program. **The vendor must also accept training from the Program specific to the violation(s) committed.**
- 16-20 points—Vendor is disqualified from the Program for six (6) months.
- 21 or more points—Vendor is disqualified from the Program for 12 months.

### Notification of Vendor Violations

The State Vendor Management Coordinator will notify a vendor, in writing, of the initial violation when a violation requires a pattern of occurrences in order to impose a sanction. This will be done prior to the documentation of another violation unless the Program determines that notifying the retailer would compromise an investigation; such determinations will be made on a case-by-case basis. This applies to all State Agency Sanctions and the following Mandatory Federal Violations:

- A pattern of claiming reimbursement for the sale of an amount of a specific supplemental food item which exceeds the store’s documented inventory of that supplemental food item for a specific period of time
- A pattern of retailer overcharges
- A pattern of receiving, transacting, and/or redeeming WIC Food Instruments outside of the authorized channels, including the use of an unauthorized retailer and/or an unauthorized person
- A pattern of charging for the supplemental food not received by the WIC participant
- A pattern of providing credit for non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances in exchanges for WIC food benefits
- A pattern of providing unauthorized food items in exchange for WIC food benefits or cash value vouchers, including charging for supplemental foods provided in excess of those listed in a participant’s food benefits list

When notification of a violation is **not** required:

- Notification is not required for WIC vendor disqualifications or CMPs based on SNAP sanctions
- Notification is not required for violations involving inventory audits. A pattern can be established during a single review of the retailer’s redemption records
- Notification is not required for violations that require only one incidence before a sanction is imposed
Notice of Adverse Action

If adverse action is taken against a vendor, the Department of Health and Human Services must send the vendor a notice in writing. The notice must explain the following:

- The reason(s) for the adverse action
- The effective date of the action
- Denial of authorization is effective on the date of the receipt of the notice
- Permanent disqualification is effective on the date of receipt of the notice
- All other adverse actions are effective 15 days from the date of the notice
- The procedures to follow to obtain a full administrative review
- The time period during which an appeal may be brought and the statement that disqualification from the Program may result in disqualification as a vendor with SNAP and that such disqualification may not be subject to administrative or judicial review under SNAP

Civil Money Penalty (CMP) in Lieu of Disqualification

A civil money penalty (CMP) may be imposed in lieu of disqualification from the NE WIC Program if the disqualification would result in inadequate participant access to WIC foods.

- Cases of permanent disqualification as a result of conviction of trafficking in WIC food instruments or selling firearms, ammunition, explosives, or controlled substances in exchange for WIC food instruments
- Cases of disqualification as a result of other violations as outlined in the NE WIC Vendor Agreement or above in the Program’s Sanction Schedule
- A civil money penalty may not be imposed in lieu of disqualification for third or subsequent violations

If the Program permits a vendor to continue to participate in lieu of disqualification, the Program shall assess the vendor a CMP in an amount determined by the Program (see the next section for the calculation formula) and in accordance with federal regulation 3.91. This regulation dictates maximum CMP amounts which may be imposed and is subject to change based on inflation. Any CMP imposed will be created via the formula in the next section with consideration of the current, maximum values as indicated below:

- Individual violations have a maximum CMP which may be imposed
- If more than one violation is detected during a single investigation, a civil money penalty must be imposed for each violation
- There is a maximum total CMP amount which may be imposed for multiple violations occurring during a single investigation
- If a vendor does not pay, only partially pays, or fails to timely pay (this includes a failure to pay according to an approved installment plan) a CMP within 30 days of receipt of a notification letter, the Program will disqualify the vendor for the length of the disqualification corresponding to the violation for which the CMP was assessed
**Formula for Calculating a Civil Money Penalty**

- Determine the vendor’s average monthly redemption for the 12-month period ending with the month immediately preceding the month during which the notice of administrative action is dated
- Multiply the average redemption by 10%
- Multiply the result by the number of months for which the vendor would have been disqualified. This is the amount of the CMP. Refer to the guidelines above for the maximum amount of the CMP
- For a violation that warrants **permanent disqualification**, the amount of the CMP penalty shall be a set dollar amount as based on the current amounts as cited in 7 CFR 3.91
- The Program will provide the Lincoln, NE Food and Nutrition Service Field Office with a copy of the written notification and information on vendors it has disqualified from WIC or imposed a CMP in lieu of disqualification from the NE WIC Program for violations covered under 7 CFR 246.12 (l) of the WIC Program regulations. SNAP authorization may be withdrawn from any vendor which is disqualified from the WIC Program or is assessed a CMP in lieu of disqualification from the WIC Program based in whole or in part on the following categories of violations outlined in 7 CFR 246.12 (l) of the WIC Program regulations:
  - One conviction by a criminal court of trafficking of WIC food instruments (FI) or selling firearms, ammunition, explosives, or controlled substances in exchange for WIC FIs
  - One WIC administrative finding of buying or selling WIC FIs for cash (trafficking) or selling firearms, ammunition, explosives, or controlled substances in exchange for WIC FIs
  - One incidence of the sale of alcohol or alcoholic beverages or tobacco products in exchange for WIC FIs
  - A pattern of claiming reimbursement for the sale of an amount of a specific supplemental food item that exceeds the store’s documented inventory of that supplemental food item for a specific period of time
  - A pattern of charging WIC participants more for supplemental food than non-WIC participants or charging WIC participants more than the current shelf or contract price
  - A pattern of receiving, transacting, and/or redeeming WIC FIs outside of authorized channels, including the use of an unauthorized vendor and/or unauthorized person
  - A pattern of charging for supplemental food not received by the WIC participant
  - A pattern of providing credit for non-food items other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances in exchange for WIC FIs
  - A pattern of providing unauthorized food items in exchange for WIC FIs, including charging for supplemental food(s) provided in excess of those listed on a participant’s benefit balance
Administrative Appeals Procedures

In accordance with Federal Regulation 246.18, the following adverse actions are subject to administrative review.

The Program will provide full administrative review to vendors that appeal the following adverse actions.

- Denial of authorization based on the application of the vendor selection criteria for minimum variety and quantity of authorized supplemental foods or on a determination that the vendor is attempting to circumvent a sanction
- Termination of an agreement for cause
- Disqualification
- Imposition of a fine or a civil money penalty in lieu of disqualification
- Denial of authorization based on the vendor selection criteria for business integrity or for a current Supplemental Nutrition Assistance Program disqualification of civil money penalty for hardship
- Denial of authorization based on the application of the vendor selection criteria for competitive price
- The application of the Program’s vendor peer group criteria and the criteria used to identify vendors who are above 50% vendors or comparable to above 50% vendors
- Denial of authorization based on the Program’s established vendor selection criterion if the basis of the denial is a WIC vendor sanction or a SNAP withdrawal authorization or disqualification
- Denial of authorization based on the Program’s vendor limiting criteria
- Denial of authorization because a vendor submitted its application outside the timeframes during which application are being accepted and processed as established by the Program
- Termination of an agreement because of a change in ownership or location or cessation of operations §246.12(h)(3)(xvii)
- Disqualification based on a trafficking conviction
- Disqualification based on the imposition of a SNAP civil money penalty for hardship
- Disqualification or a civil money penalty imposed in lieu of disqualification based on a mandatory sanction imposed by another state WIC Program
- A civil money penalty imposed in lieu of disqualification based on a SNAP disqualification
- Denial of an application based on a determination of whether an applicant vendor is currently authorized by SNAP

In accordance with Federal Regulation 246.18, the following adverse actions are not subject to administrative review.

- Validity or appropriateness of the Program’s vendor selection criteria for minimum variety and quantity of supplemental foods, business integrity, and current SNAP disqualification or civil money penalty for hardship
- Validity or appropriateness of the Program’s selection criteria for competitive price including, but not limited to, vendor peer group criteria and the criteria used to identify vendors who are Above 50% Vendors (A50)
- Validity or appropriateness of the Program’s participant access criteria and determinations
- The validity or appropriateness of the Program’s prohibition of incentive items and the Program’s denial of an A50 vendor’s request to provide an incentive item to customers
- The Program’s determination to include or exclude an infant formula manufacturer, wholesaler, distributor, or retailer from the list of approved sources for infant formula
- The Program’s determination whether to notify a vendor in writing when an investigation reveals an initial violation for which a pattern of violations must be established in order to impose a sanction
- The Program’s determination whether a vendor had an effective policy and program in effect to prevent trafficking and that the ownership of the vendor was not aware of, did not approve of, and was not involved in the conduct of the violation
- Expiration of the vendor’s agreement
- Disputes regarding food instrument payments and vendor claims
- Denial of authorization if the Program’s vendor authorization is subject to the procurement procedures applicable to the Program
- Disqualification of a vendor as a result of disqualification from SNAP

**Appeal Period**

- The vendor has 15 days to appeal the decision by a written request to the Department of Health and Human Services (DHHS) for a hearing
- The hearing time and place must be determined by DHHS within 30 days after receiving the request for a hearing
- The hearing shall be held no later than 60 days after the request for a hearing. The hearing will be conducted by an impartial fair hearing officer
- If the vendor appeals the decision, the vendor shall be permitted to continue as an authorized vendor while the appeal is in process. During the appeal process, the vendor must comply with the terms of the Vendor Agreement as long as the vendor is an authorized NE WIC Vendor

**Full Administrative Review Process**

During the hearing, the vendor and the Program each will have the opportunity to:

- Present their cases
- Confront and cross-examine witnesses
- Be represented by legal counsel
- The vendor is also given one opportunity to reschedule a hearing, if needed
- The ability to examine evidence prior to the hearing

Based upon the evidence presented at the hearing, the decision for the adverse action stands, is changed, or is overturned. If a party is unhappy with the hearing decision, it can be appealed to a judicial review. A copy of the complete administrative appeal procedures is available from the State WIC office.
**Non-Discrimination Statement**

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the agency (state or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](#), (AD-3027) found online at: [How to File a Complaint](#), and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

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