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1. Purpose of the WIC Program

1.1 Introduction

Thank you for your partnership with Michigan WIC, the supplemental nutrition program for women, infants and children. Authorized WIC Vendors fulfill the important role of ensuring WIC participants have access to the nutritional foods they are prescribed. In partnership with the Michigan Department of Health and Human Services and Local Health Departments, WIC Vendors work to improve the health of citizens throughout their communities and the State of Michigan.

This Handbook is a training and reference guide and has been designed to help store owners, cashiers, managers and bookkeepers understand Vendor responsibilities and mandates per the [Federal Regulations](#) and [Michigan WIC Vendor Policy](#) as they relate to WIC-approved foods, minimum stock requirements, and how to process WIC benefits, among other topics. Please use this Handbook to help answer any questions you may have and to ensure that your store is in compliance with the Michigan WIC Vendor Contract and all policies, procedures, and federal and state rules and regulations.

In this section, Vendors will learn about:

- The history and purpose of the WIC Program, specifically as it relates to nutrition education and the myriad of WIC services;
- The role of the Vendor within WIC.

QUESTIONS? CONTACT US AT:

Michigan Dept. of Health & Human Services – WIC Division

Elliott-Larsen Building, 6th Floor
320 S. Walnut Street Lansing, MI
48913

Phone: 517-335-8937
Fax: 517-335-9514
Email: MDHHS-WICVendor@michigan.gov
Website: www.Michigan.gov/WICVendor

ISSUES WITH YOUR STAND-BESIDE POINT-OF-SALE (POS) DEVICE?

Contact the FIS Vendor Help Desk at 1-888-529-1693



1.2 WIC is a Nutrition Program

What is WIC?

Women, Infants, and Children (WIC) is a federally funded Special Supplemental Nutrition Program of the Food and Nutrition Service (FNS) of the United States Department of Agriculture (USDA). In Michigan, it is administered by the Michigan Department of Health and Human Services (MDHHS). WIC serves low and moderate income pregnant, breastfeeding, and postpartum women, infants, and children up to age five who are found to be at nutritional risk. Guardians of children under five, such as grandparents and foster parents, may also sign up for WIC benefits. The program has demonstrated a positive effect on pregnancy outcomes and child growth and development.

How does WIC work?

WIC participants are prescribed WIC food benefits, which they redeem at authorized grocery stores and pharmacies. WIC foods are selected to meet nutrient needs such as calcium, iron, folic acid, and vitamins A & C.

In addition to nutritious foods, WIC also provides:

- Nutrition education;
- Breastfeeding promotion and support;
- High-risk nutrition counseling;
- Referrals for health and social services.

Who is eligible for WIC?

You may be eligible for WIC if you:

- Are a Michigan resident (U.S. citizenship is not required);
- Meet the [Income Guidelines](#);
- Are at nutritional risk;
- Are a Medicaid or SNAP participant.

Facts about WIC:

- Each month, more than 200,000 moms, babies, and children under age 5 receive nutritious foods from the Michigan WIC Program.
- One out of every two babies born in Michigan receives WIC benefits.
- The earlier a pregnant woman receives nutritional benefits from WIC, the more likely she is to seek prenatal care and deliver a normal weight infant.
- For every dollar spent by this program, more than three dollars in subsequent health care costs are saved.
- A family of four may earn up to \$49,025 per year and qualify for WIC.
- Local communities are supported with more than \$120 million yearly when WIC foods are purchased at grocery stores and pharmacies.

To learn more, call the [WIC agency](#) nearest you for more information, or call 2-1-1.

1.3 The Role of the Vendor

The Vendor's role is vital to the success of the WIC Program as Vendors act as the final step in the WIC process of providing WIC participants with healthy foods.

As discussed in Section 1.2, participants are prescribed food packages by nutrition professionals that are designed to supplement their individual nutritional needs. All WIC foods are selected to promote the healthiest possible birth outcomes, as well as improve the growth and development of Michigan's children. WIC participants then redeem their food benefits by using their WIC Electronic Benefit Transfer (EBT) Cards at the authorized WIC Vendor of their choice. Vendors ensure that participants can access their prescribed foods and receive only the items indicated on their WIC EBT Card.

Vendors may also recognize that participation in the WIC program makes a substantial contribution to their overall food sales. The Michigan WIC Program allows WIC participants/authorized representatives to redeem their benefits at any authorized Vendor throughout the state. Often, participants select a Vendor that can meet the entirety of their shopping needs, not just provide select WIC items, which may contribute to a store's overall sales.

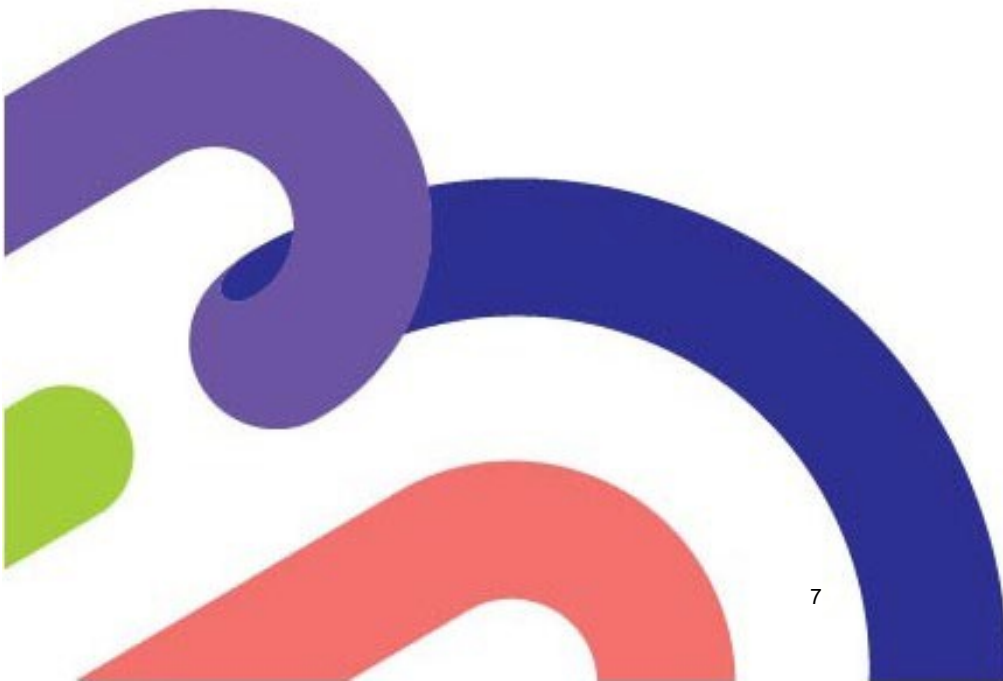
In order to become authorized and accept WIC EBT benefits, Vendors must contract with the Michigan Department of Health and Human Services. The Michigan WIC Program is committed to partnering with grocery stores that can meet and exceed program requirements per the [Federal Regulations](#) and [Michigan WIC Vendor Policy](#). The following are just a few of your Vendor responsibilities. Please see the [WIC Vendor Contract](#) for a comprehensive list.



- Clear understanding of the WIC Vendor Contract dates (start and completion);
- Accountability for all actions of employees, owners, officers, managers, and agents of the store;
- Notifying the State WIC office, per mandated contract requirements, of ANY change in ownership, location, or operating ability (e.g., fire, remodel, flood);
- Maintaining minimum stock in all food categories AT ALL TIMES;
- Verifying foods are authorized for purchase and selling only WIC-approved foods in the amounts specified by the WIC Point-of-Sale (POS) device;
- Not restricting WIC participants from WIC purchases; and
- Following all WIC Program rules, regulations, policies, and procedures as outlined in the Federal Regulations, Michigan WIC Vendor Policy, WIC Vendor Contract, WIC Vendor Handbook, [Vendor Newsletters](#), and any additional authorizing materials issued by the Michigan Department of Health and Human Services (MDHHS).

THANK YOU AND WE LOOK FORWARD TO CONTINUING OUR PARTNERSHIP!

2. Vendor Contracting



2.1 Contracting Overview

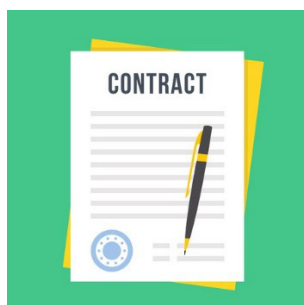
The Michigan WIC Program is committed to ensuring WIC Vendors authorized within the state meet the **WIC Vendor Selection Criteria** (found on the next page) as defined in [WIC Vendor Policy 2.03](#) and are equipped to provide food benefits to WIC participants. The process of becoming an authorized WIC Vendor involves many steps. The Department reviews applicant eligibility, owner history and participant need throughout each part of the application process to ensure we are contracting with the best Vendors possible to serve participants.

The application process is outlined below:

1. The applicant completes and returns the [WIC Vendor Application](#), along with all required documentation. The application can be found online at www.michigan.gov/WICVendor, or can be requested by contacting the Vendor Relations Unit at 517-335-8937 or via email at MDHHS-WICVendor@michigan.gov.
2. The application is reviewed for completeness and to ensure the applicant meets all state eligibility criteria. The number of zip code openings is also determined.
3. If there is an opening and the store is selected, an on-site **pre-authorization visit and training** will be conducted to verify eligibility. (See a copy of the [Pre-Authorization Report](#) in Section 8.)
4. If the applicant successfully completes the pre-authorization visit and training, they will be emailed a [WIC Vendor Contract](#) by MDHHS Grants and Purchasing.
5. The applicant e-signs and returns the WIC Vendor Contract to MDHHS Grants and Purchasing, where it is then executed and becomes valid.
6. All authorized WIC Vendors must **reapply** at the end of each three-year Contract Cycle for continued authorization.

By the end of the section, you should understand:

- The WIC Vendor Selection Criteria all Vendors must meet in order to receive a WIC Vendor Contract;
- What the Open Application Period (OAP) is and the length of a WIC Contract;
- The division of WIC Vendors into regions and Contract Cycles, based on location;
- The requirements of Pharmacy, or 'formula only' Vendors;
- The rules and requirements all Vendors have agreed to abide by, as laid out by the WIC Vendor Contract.



2.2 WIC Vendor Selection Criteria

In order to be eligible for consideration an applicant must meet the following requirements. The Department may reassess an authorized Vendor at any time during the Vendor's contract period using the Vendor Selection Criteria in effect at the time of the reassessment and may terminate contracts with those Vendors that fail to meet them. Please see Michigan WIC [Vendor Policy 2.02](#) for the full policy.

All Vendors (Grocer; Grocer with Pharmacy; Pharmacy):

1. Compliance with competitive prices and price limitations as determined by the Department. (See [Vendor Policy 2.03](#) Vendor Peer Groups.)
2. Lack of any conflict of interest between the Vendor and the local agency or the Department as defined by applicable State laws, regulations and policies.
3. Business integrity as determined by the Department. Unless denying authorization of a Vendor applicant would result in inadequate participant access, the Department will not authorize a Vendor applicant if during the past six years the Vendor applicant or any of the Vendor applicant's current owners, officers, or managers have been convicted of 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, and obstruction of justice.
4. Compliance history with WIC program policies, rules and regulations, as applicable, and compliance with any prior contract with the Department. In the case of stores owned jointly or by corporations, the Department may evaluate past performance of one or more of the same partners, shareholders, directors or officers at other locations.
5. Lack of negative history indicating the store was sold by its previous owner in an attempt to circumvent a WIC sanction. The Department will consider such factors as to whether the store was sold to a relative by blood or marriage of the previous owner(s) or sold to an individual or organization for less than its fair market value. The Department may also consider other factors in making its determination.
6. A Vendor's total WIC sales for any annual period that do not exceed 50% of the Vendor's total annual food sales.
7. Vendors must only purchase infant formula from wholesalers, distributors, and retailers licensed by the Michigan Department of Agriculture and Rural Development (MDARD) or from infant formula manufacturers registered with the Food and Drug Administration.

2.2 WIC Vendor Selection Criteria

Full-line Vendors (Grocer; Grocer with Pharmacy)

1. Availability of mandatory minimum stock of WIC-approved foods. (See WIC Vendor [Minimum Stock Requirements](#).)
2. Variety of available WIC-approved foods and accessibility of a store to WIC participants.
3. Documented authorization in the Supplemental Nutrition Assistance Program (SNAP). A WIC Vendor must be in good standing with the USDA Food and Nutrition Service.
4. Valid license issued by the Michigan Department of Agriculture & Rural Development (MDARD).
5. Minimum required volume of WIC transactions. A Vendor that transacts less than \$1,200 in WIC EBT transactions per fiscal quarter will be considered a low volume Vendor and may indicate lack of demand for that particular store. Vendors will receive a warning the first quarter they are found out compliance with this requirement. If not in compliance with the requirement following a six (6) month evaluation [that is 3 months after receiving the initial warning], the Vendor will be terminated and disqualified. New Vendors will be evaluated after the first full fiscal quarter of authorization.

Pharmacy Vendors (Grocer with Pharmacy; Stand-alone Pharmacy)

1. Availability of mandatory minimum stock for specified formulas. (See WIC Vendor [Minimum Stock Requirements](#).)
2. Valid Pharmacy License and good standing with the Department of Licensing and Regulatory Affairs (LARA).

2.3 The Open Application Period

WIC VENDOR CONTRACTS ARE VALID FOR **3 YEARS**. WIC VENDORS **MUST** APPLY FOR A NEW CONTRACT AT THE END OF EACH 3-YEAR PERIOD. THIS PERIOD OF APPLICATION SUBMISSION AND REVIEW IS KNOWN AS THE '**OPEN APPLICATION PERIOD**' (OAP).



When is the Open Application Period (OAP)?

OAP commences **October 1st** and ends **December 14th** of each year, prior to the expiration of a Vendor's existing Contract. The year your contract expires and your store must reapply is determined by your contract cycle, explained on the next page.

How does authorization work?

Authorized WIC Vendors and interested/waitlist stores will be emailed a [WIC Vendor Application](#) at the start of OAP. Returned applications are then reviewed for completion and eligibility.

During the application review process, the WIC Program will confirm that applicants:

- Meet all current [WIC Vendor Selection Criteria](#);
- Have provided current ownership and store information;
- Have submitted all required documentation with the application;
- Maintain minimum stock and a variety of WIC foods;
- And have a history of business with integrity, including no previous incidents of trafficking, fraud or illegal activity.

Eligible stores with complete applications then 'compete' for the openings in their zip code, which are determined by participant density. Please note, a current WIC Vendor Contract DOES NOT guarantee that the Vendor will be reauthorized. Vendors will be informed of the Department's determination via email. Incomplete applications will not be considered.

What happens if a currently authorized Vendor does not submit an application?

Failure to submit a new complete [WIC Vendor Application](#) along with all necessary documentation to the Michigan WIC Program prior to the December 14 open application deadline may result in expiration of a Vendor's Contract. If the Contract expires, the Vendor will be unable to process WIC transactions. Contract expiration is not subject to the Administrative Review process.

If you would like to apply or have your store placed on the Vendor Waitlist, please contact the Vendor Relations Unit at 517-335-8937 or email MDHHS-WICVendor@michigan.gov.

2.4 Vendor Contract Cycles & Map

The Michigan WIC Program has separated the state, by region, into three contract cycles to facilitate the application process. Vendors in each cycle are issued WIC Vendor Contracts that are valid for three years, commencing **July 1st** and expiring **June 30th**. Vendor Contracts are not automatically renewed, and all Vendors must reapply at the end of this three-year period.

Interested stores may apply for consideration for a WIC Vendor Contract during the Open Application Period (see previous page), which commences October 1st prior to the expiration of the existing Contract.

While Vendors may be issued a WIC Vendor Contract at times other than the start of a contract cycle, this does not alter the Contract end date. Such Contracts will end on June 30th of the year consistent with all other Vendors in their geographic contract cycle. This means that at its sole discretion, the WIC Program may enter into a Contract with a Vendor for a period shorter than three years.

Below is a list of counties by their contract cycle. (Map on next page.)

Southeast Contract Cycle (Current cycle July 2020-June 2023):

Lenawee	Macomb	Oakland	Wayne
Livingston	Monroe	Washtenaw	

Northern Contract Cycle (Current cycle July 2021-June 2024):

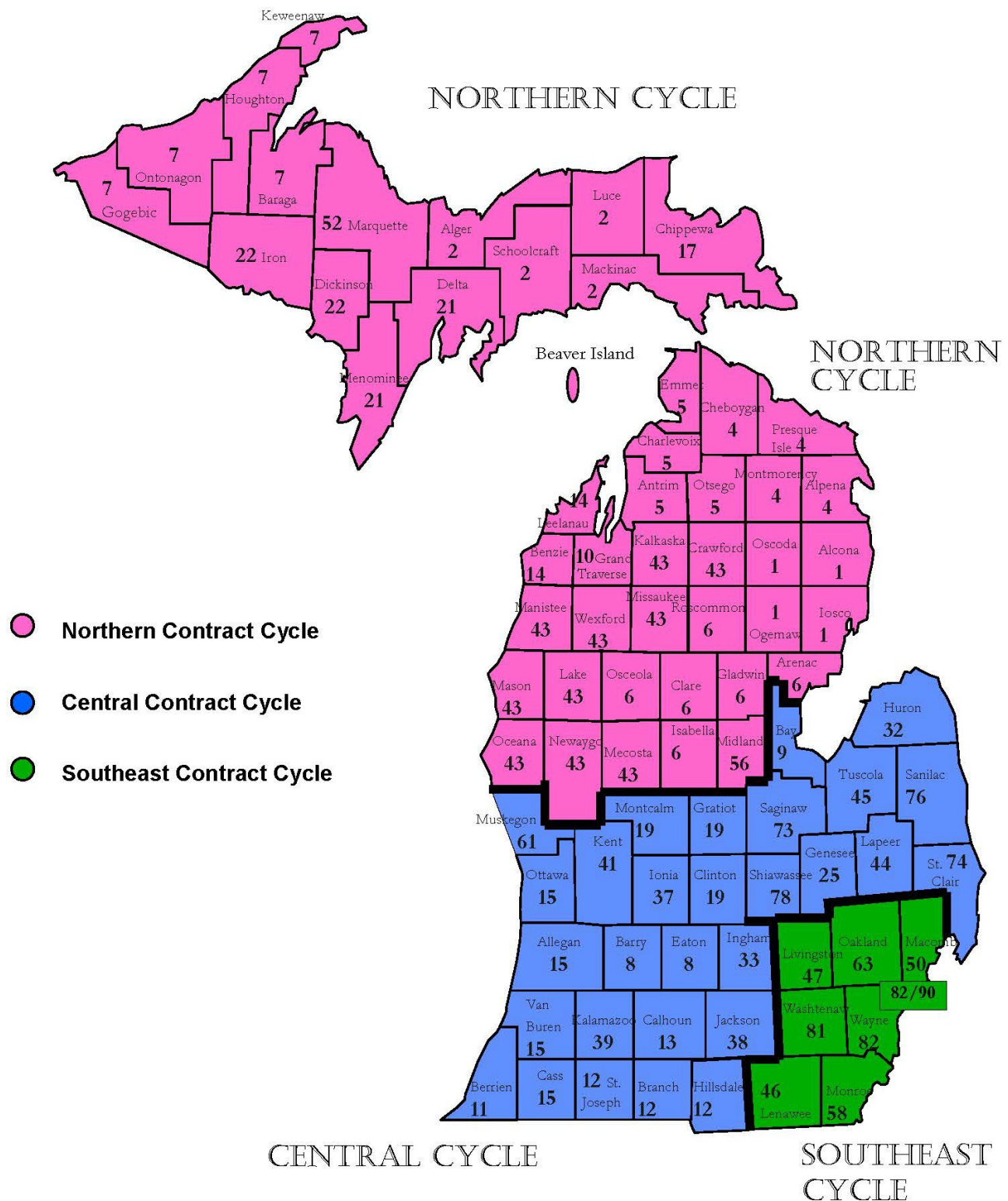
Alcona	Delta	Lake	Newaygo
Alger	Dickinson	Leelanau	Oceana
Alpena	Emmet	Luce	Ogemaw
Antrim	Gladwin	Mackinac	Ontonagon
Arenac	Gogebic	Manistee	Osceola
Baraga	Grand Traverse	Marquette	Oscoda
Benzie	Houghton	Mason	Otsego
Charlevoix	Iosco	Mecosta	Presque Isle
Cheboygan	Iron	Menominee	Roscommon
Chippewa	Isabella	Midland	Schoolcraft
Clare	Kalkaska	Missaukee	Wexford
Crawford	Keweenaw	Montmorency	

Central Contract Cycle (Current cycle July 2019- June 2022):

Allegan	Eaton	Kalamazoo	Shiawassee
Barry	Genesee	Kent	St. Clair
Bay	Gratiot	Lapeer	St. Joseph
Berrien	Hillsdale	Montcalm	Tuscola
Branch	Huron	Muskegon	Van Buren
Calhoun	Ingham	Ottawa	
Cass	Ionia	Saginaw	
Clinton	Jackson	Sanilac	

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

WIC VENDOR CONTRACT CYCLES



2.5 The WIC Vendor Contract

An executed [WIC Vendor Contract](#) is what gives WIC Vendors authorization to process WIC transactions, be reimbursed by the Department and serve WIC Participants. It has been written in accordance with Federal Regulations and the [Michigan WIC Vendor Policy](#) and has been approved by the Food and Nutrition Services within the United States Department of Agriculture (FNS-USDA).

The WIC Vendor Contract outlines:

- Vendor responsibilities;
- Purchase and inventory record requirements;
- Department responsibilities;
- Expiration, termination and disqualification;
- Administrative review procedures;
- And much more.

It is every Vendor's responsibility to understand and enact their contractual obligations to the Michigan WIC Program, as it is the Department's responsibility to ensure you have the tools to succeed. Together, we serve the WIC participants of Michigan and provide them with supplemental nutritious foods for healthy living!



A SAMPLE WIC VENDOR CONTRACT IS PROVIDED ON THE FOLLOWING PAGES. ALL AUTHORIZED WIC VENDORS SHOULD BE FAMILIAR WITH THIS DOCUMENT.



**MICHIGAN DEPARTMENT OF
HEALTH AND HUMAN SERVICES**

WIC VENDOR CONTRACT

Vendor Number

Owner's Name:
(Owning entity name only): _____

Vendor Name:
(Name of store as it appears
on building or sign): _____

Vendor Retail Address: _____

Store Phone Number: _____

Contact Name and Number: _____

Vendor Email Address: _____

This contract by and between the Michigan Department of Health and Human Services (Department), having a mailing address of 235 South Grand Avenue, Lansing, MI 48933 and the above-named Vendor is effective _____ and ends _____, subject to any amendments prescribed by the Department or until terminated by either party according to Section XVI of this contract.

I. DEFINITIONS

Vendor is a retail food store with a single, fixed location that is authorized by the State agency to provide approved supplemental foods in exchange for WIC benefits to participants under a retail food delivery system. Each store operated by an owning entity (i.e., sole proprietorship, partnership, cooperative association, corporation, or other business entity) constitutes a separate Vendor and must be authorized separately from other stores operated by the owning entity. However, multiple Vendor locations operated by the same owning entity may be authorized under the same contract, i.e., a chain contract.

Chain contract means an owning entity with two (2) or more outlet locations authorized on the same WIC Vendor Contract. For chain contracts, a list shall be attached to this contract containing the specific names and addresses of the outlets covered under this contract, along with the store manager's name and other pertinent information. Each Vendor/store location is given a unique Vendor ID number upon authorization.

WIC benefits means electronic benefits that can be used to purchase WIC-approved food items from authorized WIC Vendors using a WIC electronic benefits transfer (EBT) card.

Infant formula means a food that meets the definition of an infant formula in section 201(z) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(z)) and that meets the requirements for an infant formula under section 412 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 350a) and the regulations at 21 CFR parts 106 and 107.

WIC nutritionals means authorized medical foods that are specifically formulated to provide nutritional support for individuals with a qualifying condition. For the purposes of this document, both infant formulas and nutritionals will be referred to as *WIC-approved formulas*.

II. PURPOSE

This document, upon signature by the Vendor and the Department, is a contract for the purpose of providing an authorized source from which qualifying women, infants and children can obtain nutritious supplemental foods in accordance with the rules, regulations and policies of the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) established by the Food and Nutrition Service, U.S. Department of Agriculture (USDA) and the Department.

III. RETAIL PURCHASE FOOD DELIVERY SYSTEM

The Michigan WIC Program operates a “Retail Purchase Food Delivery System.” This enables WIC participants to go to an authorized store of their choice and shop to obtain supplemental WIC food benefits in exchange for WIC benefits and complete the transaction at the cash register in accordance with the terms of this contract. WIC benefits are defined as WIC Electronic Benefit Transfer (EBT) transactions that are processed through the use of the Michigan WIC EBT Bridge Card, which includes the WIC shopping list produced by any WIC EBT point of sale device. This also includes Cash Value Benefits (CVBs), which are specific dollar amounts provided to the WIC participant’s account intended only for the purchase of WIC-approved fruits and vegetables.

IV. RESPONSIBILITIES – VENDOR

The undersigned Vendor agrees to comply with the terms and conditions of this contract, including:

- Federal and State statutes, rules, regulations, policies, and procedures, including USDA regulations at 7 CFR 246.1 *et seq.*
- MI-WIC Vendor Policy, including any subsequent changes made during the contract period and hereby made a part of this contract.
- Any amendments or changes to the WIC Vendor Contract by the Department. The Department shall notify Vendors of amendments or changes according to USDA regulations at 7 CFR 246.12(h)(7).

This contract, with amendments, embodies the whole contract of the parties and contains all the terms and conditions agreed upon by the parties. It shall supersede all previous communications, representations, or agreements, either oral or written.

THE VENDOR AGREES TO:

1. Keep a valid email address, phone number and mailing address on file with the Department to receive communications from the Department. Communications include, but are not limited to, information regarding the WIC Vendor Contract, program policies, notifications, notices and demands.

The Vendor agrees to accept service of all communications from the Department by email, personal delivery, certified mail (return receipt requested, postage prepaid) or overnight courier. The Vendor releases the Department from any liability experienced as a result of any unauthorized copying, recording, reading or interference with communications after transmission.

The Vendor agrees to comply with program policies, requirements, and demands sent to the email address provided to the Department. The Vendor also agrees to provide a response within the timeframe specified in communications sent to the email address provided.

The Vendor may provide an update to their email address at any time. The Department will retain the most recent email address for the purpose of further program communications.

2. Receive training on WIC Program regulations, policies, and procedures. Annual Vendor training may be provided by the Department via newsletters, videos, letters, interactive training or other formats. Training may involve the storeowner, manager, authorized representative, head cashier, etc.

Specifically, at least once every three years, the Vendor must assign a representative to a group or interactive training scheduled by the Department. The attendee of the mandatory training shall be an authorized representative of the store that is routinely involved in the training and day-to-day administration of the WIC Program at the store. The store representative is then responsible for providing required training to cashiers and other relevant store staff and maintaining records of such trainings. The Department has the sole discretion to designate the date, time and location of all interactive trainings and will provide the Vendor with at least one alternative date on which to attend such a training.

If the Vendor representative that received WIC training is no longer affiliated with the store, the Vendor must assign a new representative to attend a WIC-sponsored training as soon as possible. Training opportunities are posted on the WIC Vendor website at Michigan.gov/WICVendor.

3. Inform, train and update cashiers and other staff on WIC Program requirements and ensure that all cashiers and other staff are knowledgeable regarding procedures set forth in the most recent publication of the Michigan WIC Vendor Handbook and Michigan WIC EBT Manual, hereby made a part of this contract, and current State Plan of Program Operation, including any revisions or supplements (including the

quarterly Vendor Newsletter) issued by the Department.

For store staff that receive in-store training, the Vendor shall maintain records identifying when such training was held, which staff were trained, and who performed the training. Upon the Department's request, the Vendor agrees to supply records of Vendor-provided internal trainings.

4. Be responsible and accountable for its owners, officers, managers, agents, and employees in the processing of WIC EBT transactions and the provision of WIC-approved supplemental foods (hereafter called WIC-approved foods) and assure that all WIC transactions are conducted in compliance with WIC Program requirements.
5. Be accountable for its owners, officers, managers, agents, and employees who commit WIC Program violations.
6. Provide only currently approved WIC foods in exchange for valid food benefits issued by any authorized Local or State Agency as designated by the Department, according to Federal and State requirements as follows:
 - A. Stock as many varieties as possible of the WIC-approved foods as designated on the current Michigan WIC Approved Products List (APL). The Vendor shall also have in stock at minimum, at all times during hours of operation, all mandatory minimum stock items listed on the most current Mandatory Minimum Stock Requirements sheet provided with the application. In its sole discretion, the Department may issue revisions to the mandatory Minimum Stock Requirements.
 - B. Provide only WIC-approved foods to WIC participants in exchange for WIC benefits.
 - C. Ensure that WIC-approved foods available for sale are not spoiled, expired or past the date listed on the item or package.
 - D. Offer WIC participants the same courtesies offered to other customers.
 - E. Never designate 'WIC EBT only' checkout lanes where no other forms of tender are accepted.
 - F. Ensure that at least one WIC EBT equipped lane is functional and accessible to customers at all times.
 - G. Ensure all allowed incentives are offered to both WIC participants and non-WIC customers.
 - i. The Vendor may not offer any incentives for the sole purpose of attracting WIC participants. Incentives offered to WIC participants must be the same as offered to all customers. Incentives include, but are not limited to, in-store credit, loyalty programs, manufacturers' coupons, Buy One, Get One (BOGO), reduced prices, and bonus sized items.

- ii. The Vendor are strictly prohibited from offering cash, alcohol, tobacco, or lottery to WIC participants as an incentive, even if these items are being offered to non-WIC customers. As used throughout this policy, “cash” is defined as currency, digital currency, debit cards (pre-paid or not), checks, money orders, phone cards, gas cards, gift cards, and the like.
- H. Never give WIC participants cash in exchange for redeeming their food benefits.
- I. Never require that WIC participants purchase a specified quantity or the full quantity of WIC foods on their WIC EBT shopping list; or require other cash or minimum purchases as a condition to redeem their food benefits.
- J. Allow up to the full quantity of WIC-approved foods to be redeemed as specified on the WIC EBT shopping list. This includes splitting cases when requested.
- K. Never limit WIC participants in their choices of WIC-approved foods (e.g., never require purchase of a particular brand).
- L. Never provide credit, ‘rain checks,’ due bills or other similar receipts for WIC-approved foods not obtained at the time of the transaction.
- M. Never provide one WIC-approved food as a substitute for the redemption of a benefit for another WIC-approved food (e.g., evaporated milk for infant formula, 2% milk for 1% milk).
- N. Never provide a non-WIC food item as a substitute for the redemption of a benefit for a WIC-approved food item.
- O. Never allow the return of food purchased with WIC benefits in exchange for cash.
- P. Never allow the return or exchange of WIC-approved foods, subject to the following exception:

The Vendor must allow exchanges when the original WIC-approved food item is defective, spoiled, or has exceeded its “sell by,” “best if used by” or other date limiting the sale or use of the food item.

Exchanges may only be made for the exact WIC food item or for the same category and size of WIC food item originally obtained and returned by the participant. For example, a one-gallon container of X brand of whole milk that was spoiled at the time of purchase may be exchanged for a one-gallon container of X brand of whole milk OR for any one-gallon container of WIC-approved brand of whole milk).

- Q. Assure that only WIC-approved fruits and vegetables are sold in exchange for the CVB amount listed on the WIC participant’s WIC EBT shopping list.
- R. Allow the participant, authorized representative, or proxy to pay the difference when a fruit and vegetable purchase exceeds the value of the CVBs (also known as a split tender transaction).

- S. Never buy or sell WIC EBT WIC benefits for cash (trafficking).
 - T. Never allow the sale of non-food items, alcohol, alcoholic beverages, or tobacco products in exchange for WIC benefits.
 - U. Never allow the sale of firearms, ammunition, explosives, or controlled substances as defined in 21 U.S.C. 802 in exchange for WIC benefits.
7. Clearly mark the price of WIC-approved foods on the item, container, shelf, or sign, in a manner that reasonably informs the WIC participant of the price of the item and is in compliance with all Federal and State laws regarding the pricing of food items.
8. Accept and redeem WIC food benefits in accordance with the procedures as set forth in the most recent publications of the Operating Rules for WIC EBT, WIC EBT Technical Implementation Guide, and the MI-WIC Vendor Policy; and in compliance with State and Federal Regulations, including any revisions or supplements issued by the Department; and as set forth below:
- A. A valid WIC EBT Bridge Card and Personal Identification Number (PIN) must be presented at the time of purchase for the cardholder to purchase their WIC-approved foods. The Vendor may not request additional identification from the cardholder.
 - B. The Vendor may not enter a cardholder's PIN. The cardholder must enter his/her own PIN.
 - C. The Vendor must allow redemption of WIC benefits for only those food items specifically listed on the participant's WIC EBT shopping list.
 - D. WIC participants must receive the WIC food item that corresponds specifically to the UPC code scanned (or manually entered) by the Vendor during the transaction.
 - E. The Vendor must scan (or manually enter) the actual UPC code that is affixed to the actual item being purchased by the WIC participant.
 - F. The Vendor is prohibited from scanning (or manually entering) any UPC code that is not affixed to the actual item being purchased by the WIC participant, or any UPC code as a substitute, replacement or otherwise not actually affixed to the actual item being purchased by the WIC participant.
 - G. The Vendor must assure that there is a price loaded in the Point-of-Sale (POS) device for all WIC-approved food items available for sale in the store.
 - H. The Vendor must assure that the price assigned to the scanned UPC code in the POS device is not greater than the price displayed on the package, container, shelf or other signage in the store for the purchased item. This may be verified by a Department representative by scanning the actual UPC code affixed to a WIC-approved item and comparing that price to the price marked on the package, container, shelf, or other signage of that same item.

- I. The Vendor is responsible for updating price changes of WIC-approved food items in the POS device including, but not limited to, changes due to sales or other promotions to ensure compliance with item J above.
 - J. The Vendor must give the cardholder a printed WIC EBT terminal receipt that reflects the appropriate quantities of WIC foods purchased.
 - K. When selling WIC-approved fresh fruits and vegetables to participants, the Vendor must only use the Product Look Up (PLU) code assigned by the Department.
 - L. The Vendor is prohibited from using the PLU code assigned by the Department for the purchase of WIC-approved fresh fruits and vegetables to purchase any other item.
9. Maintain prices for WIC foods which are competitive, as determined by the Department for Vendors within a peer group.
10. Provide each WIC food item at the current shelf price or at less than the current shelf price charged to other customers and charge the WIC Program for only those food items received by the participant. The current shelf price (UPC based) is the price marked on the item, shelf, container, or sign, or sale price offered to non-WIC customers.
11. When applicable, order WIC-approved formulas for WIC participants if the Vendor's store location includes a pharmacy operated under the same owning entity (Pharmacy Vendors; Grocers with Pharmacy).
- A. The WIC-approved formula must be ordered at the time of or within 24 hours of the request by a WIC participant or WIC staff member.
 - B. The WIC-approved formula must be available for pick-up by the participant within 2 business days of the order.
 - C. If the Vendor encounters challenges in sourcing a WIC-approved formula, the Vendor must contact the Michigan WIC State Office at 517-335-8937 during normal business hours for assistance.
12. Use the WIC logo or acronym only in accordance with the following terms.

The WIC logo is any stylized representation of a silhouette depicting a woman holding an infant, or other variations of silhouettes depicting various types of WIC participants. The WIC acronym is the letters W-I-C placed in sequence and represents the WIC Program as defined in Section I.

- A. Never place stickers, tags, or labels that include either the WIC logo or acronym on individual WIC-approved food items or packages.
- B. Never place stickers, tags, or labels that include either the WIC logo or acronym in a location to indicate or suggest that a non-WIC food item is WIC-approved.

- C. The WIC acronym or logo may not be used by the Vendor in its name, in advertising, or in promotional literature other than to inform the public that the Vendor is WIC-authorized.
 - D. The WIC acronym or logo may not be used in the Vendor's advertising in any manner likely to cause confusion, mistake, or deception as to the affiliation, connection, or association of the Vendor with the WIC Program, or as to the sponsorship or approval of the Vendor's goods, services, advertising, or commercial activities, including nutritional message(s), by the WIC Program or USDA.
13. Always display to the public that the Vendor is authorized to participate in the WIC Program and accept WIC benefits. The Vendor also agrees to remove the WIC decal and cease advertising participation in the WIC Program when the store ceases participation in the WIC Program.
 14. Respond to any and all surveys as requested by the Department.
 15. Ensure that no conflict of interest exists between the Vendor, or its owners, officers, managers and other employees, and the Department or its Local Agencies as defined by applicable State laws, regulations, and policies.
 16. Notify the Department in writing prior to a change in the Vendor's Federal Identification Number, location, name of the store, or ownership, including the exchange of shares, change in ownership structure, or change to the name of the owning entity. Notification of change in ownership must include relevant documentation, including a Bill of Sale and/or purchase agreement. This contract does not automatically transfer upon change in ownership.
 17. Notify the Department in writing immediately if the Vendor ceases business operation or is unable to transact WIC for any reason.
 18. Never collect sales tax on WIC purchases.
 19. Never allow total sales from WIC transactions during any 12-month period to be greater than 50% of the store's annual gross food sales during that same period. The Vendor must notify the Department in writing immediately if annual sales from WIC are greater than 50% of the annual gross food sales from that same period.
 20. Never contact or seek restitution from participants for foods not paid by the Department or charge WIC participants for foods obtained with WIC benefits.
 21. Make available to representatives of the Department of Health and Human Services, the United States Department of Agriculture, Department of the Attorney General, the Comptroller General of the United States, or any law enforcement agency at any reasonable time and place as determined by the Department, for inspection and audit, all WIC benefits and program related records, including electronic records.

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22. Permit unannounced visits by Local, State or Federal Agency representatives to review adherence to WIC Program policy and procedures including prices of WIC food items and compliance with all terms of the WIC Vendor Contract. All such representatives shall be treated with respect.
23. Upon request, provide access to all WIC transaction information on hand, including receipts, shelf price records, Vendor inventory records and any other WIC records during an on-site or virtual monitoring visit by an authorized State, local agency, or Federal Agency representative.
24. Assure that WIC participants are not discriminated against on the basis of race, color, national origin, religion, sex, age, disability, citizenship, veteran status, height, weight, marital status, or genetic information.
25. Comply with EBT Minimum Lane Coverage as defined in §246.12(z)(2). The State agency may remove excess state-funded terminals if actual redemption activity warrants a reduction consistent with the redemption levels.
26. Not charge to the State agency any third-party commercial processing costs and fees incurred by the Vendor from EBT multi-function equipment.
27. Pay for commercial transaction processing costs and interchange fees related to WIC EBT transactions.
28. Be responsible for ongoing maintenance, processing fees and operational costs for Vendor systems and equipment used to support WIC EBT, unless the State agency determines the Vendor using WIC-only or multi-function equipment is necessary for participant access. Costs shared by a WIC State agency will be proportional to the usage for the WIC Program.
29. Comply with federal and state EBT operating rules, standards and technical requirements.
30. Be licensed as a Retail Food Establishment and be in good standing with the Michigan Department of Agriculture and Rural Development (MDARD).
31. Have approval to redeem Supplemental Nutrition Assistance Program (SNAP) benefits and be in good standing with the USDA Food and Nutrition Service.

V. PURCHASE AND INVENTORY RECORD REQUIREMENTS

The Vendor must maintain required records for three (3) years after final payment is received or after all pending matters are resolved, whichever time period is greater. This includes all WIC benefits and program related records, including electronic records, as well as the Vendor's purchase and inventory records for WIC-approved food items for which the Vendor has claimed reimbursement from the WIC Program.

The Vendor must maintain purchase and inventory records and make records available to the Department upon request. Purchase and inventory records include invoices, receipts and any other documents that record a sale of goods or services in exchange for payment.

The following criteria must be met regarding the acceptability of purchase and inventory records for WIC review purposes.

1. Sales receipts for all WIC-approved foods purchased (for resale by the Vendor) must include the name and address of the store, the date of purchase, description of the exact items purchased (e.g., 12 oz. Total cereal), the unit price of the items, the total quantity purchased, and the form of payment. The Vendor must submit the entire sales receipt in order for the purchase to be counted towards the Vendor's inventory. Invoices from wholesalers must also include the invoice numbers.
2. Purchase records must include a description of the exact items purchased including, size, stock number, UPC code (if available), quantity and unit price. Receipts that do not completely describe the actual item shall have computer codes that can be verified by contacting the store at which the merchandise was purchased.
3. All receipts from purchases at retail establishments must be machine dated by the establishment. Hand-written purchase records will not be accepted.
4. Affidavits, statements of fact and oral statements shall not be accepted as evidence of inventory. Only purchase invoices or retail receipts as described in this section shall be accepted and constitute evidence of inventory.
5. The Vendor must only purchase WIC-approved formula from wholesalers, distributors, and retailers licensed by MDARD, pharmacies licensed by LARA, or from manufacturers registered with the Food and Drug Administration.

Current information regarding MDARD-licensed sources can be obtained from mda-info@michigan.gov or by calling 1-800-292-3939.

VI. VENDOR PAYMENTS AND CLAIMS

The Department, subject to the terms of this contract, will provide payment for WIC benefits validly transacted and redeemed. Payment may be denied for WIC benefits including WIC EBT card benefits not completed, transacted, or redeemed in accordance with Department policies and procedures outlined in this agreement, including any revisions or supplements issued by the Department.

The Vendor must maintain prices for WIC-approved foods which are competitive with other similar Vendors, as determined by the Department. The Department shall determine the Not to Exceed (NTE) price, i.e., the maximum allowable price for each food item based on the Vendor peer group as described in MI-WIC Vendor Policy 2.03. If the requested price exceeds the NTE, the Vendor will be paid the NTE for that item.

When the Department determines the Vendor has committed a Vendor violation that affects the payment to the Vendor, the Department will delay payment or establish a claim. The Department may delay payment or establish a claim in the amount of the full purchase price of each WIC benefit or cash-value voucher that contained the Vendor overcharge or other error. The Department will provide the Vendor with an opportunity to justify or correct a Vendor overcharge or other error. The Vendor must pay any claim assessed by the Department. In collecting a claim, the Department may offset the claim against current and subsequent amounts to be paid to the Vendor. In addition to

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denying payment or assessing a claim, the Department may sanction the Vendor for multiple violations in accordance with Vendor Sanction Schedule.

The Department may establish a claim, in addition to a mandatory disqualification, if the result of an inventory audit shows a negative difference between foods sold to participants using WIC benefits and the store's purchase and inventory records showing what was purchased for sale.

The Department may immediately suspend the Contract during the course of an inventory audit if:

- The Vendor cannot prove the purchase of sufficient quantities of WIC foods to provide the quantities specified on the WIC benefits redeemed by the Vendor during a specific time period; and
- The value of the difference between the actual inventory and the amount claimed to have been sold to WIC participants is greater than one thousand dollars (\$1000).

The Vendor shall register with the state's payment system, SIGMA Vendor Self Service, for the purpose of manual payments upon request by the Department or other State, Federal or law enforcement agency.

VII. INDEPENDENT CONTRACTOR

The Vendor shall be considered an independent contractor and not an employee or agent of the Department in carrying out the terms of this contract.

VIII. NOT A LICENSE/PROPERTY INTEREST

This Vendor Contract does not constitute a license or a property interest. If the Vendor wishes to continue to be authorized beyond the period of its current contract, the Vendor must reapply for authorization. If a Vendor is disqualified, the Department will terminate this contract and the Vendor must then reapply to be considered for WIC authorization after the disqualification period is over. In all cases, the Vendor's new request for WIC authorization will be subject to the Department's Vendor Selection Criteria and any Vendor Limiting Criteria in effect at the time of application.

IX. COMPLIANCE WITH VENDOR SELECTION CRITERIA

The Vendor must comply with the Vendor Selection Criteria throughout the contract period, including any changes to the criteria. The Department may reassess the Vendor at any time during the contract period using the Vendor Selection Criteria in effect at the time. The Department may terminate a WIC Vendor Contract, disqualify the Vendor, or deny an application for reauthorization, per the Sanction Schedule, if the Vendor fails to meet the current Vendor Selection Criteria.

X. TERMINATION – FALSE INFORMATION

The Department may immediately terminate this contract if it is determined that the Vendor provided false information in connection with its application for authorization, and the false information was material to the Department's decision to authorize the Vendor.

XI. RESPONSIBILITIES – DEPARTMENT

THE DEPARTMENT SHALL:

1. Supply the Vendor with the most recent copy of the Michigan WIC Program Vendor Handbook, the Michigan WIC EBT Manual, the WIC Vendor Sanction Schedule and, as requested, the Administrative Review and Hearing Procedures for Vendors at the time of contract and when any revisions become effective.
2. Provide the Vendor with a unique Vendor Number. The Vendor Number is necessary for Point-of-Sale (POS) systems to process WIC transactions and receive payments via electronic benefits transfer (EBT).
3. Assure that WIC participants are informed of the proper WIC-approved food benefit redemption procedures and use of WIC benefits through Local Agencies.
4. Maintain a system through Local Agencies to assure that WIC benefits are provided only for qualified women, infants and children.
5. Assure, through Local Agencies that each participant is issued a valid Michigan WIC EBT Card in accordance with procedures described in the most current publication of the Michigan WIC Program Vendor Handbook and Michigan WIC EBT Manual, including any revisions or supplements issued by the Department.
6. Keep the Vendor informed of the requirements as set forth by the U.S. Department of Agriculture WIC Program regulations, the Michigan Department of Health and Human Services Policy regarding implementation of the WIC Program including Vendor relations and compliance policy and notify the Vendor in writing of any changes in the current WIC-approved foods or any other changes which affect food benefit redemption or program requirements.
7. Provide interactive training at least once during each contract period for the Vendor to obtain information on WIC Program policies, procedures, and updates.
8. Monitor the Vendor for possible violations of Federal and State laws and WIC Program rules, regulations, and procedures. Monitoring includes, but is not limited to, routine monitoring visits, undercover compliance buys and inventory audits.
9. Enforce compliance with Federal and State laws, rules, regulations, policies, and procedures of the WIC Program through sanctions against the Vendor as described in the Department's most recent WIC Vendor Sanction Schedule.
10. Process payments to the Vendor in accordance with the food benefit redemption procedures set forth in Section V of this contract and the Michigan WIC EBT Manual, and subsequent revisions.

XII. REAUTHORIZATION

This contract is in effect for the period indicated on Page 1. Neither the Department nor the Vendor is under any obligation to renew this contract. The Vendor must file a new application with the Department before the end of the current contract period to be

considered for reauthorization and to continue accepting WIC benefits. Expiration of this contract shall not be subject to Appeal or Administrative Review.

XIII. NON-TRANSFERABILITY

This contract is between the Department and the Vendor, named herein, and is not transferable between owners or establishments. This contract is null and void upon change of ownership or location greater than an allowable distance as determined by the Department. A new application and WIC Vendor Contract must be completed and approved by the Department before the new owner is authorized to participate in the WIC Program.

The Vendor must notify the Department in writing prior to a change in Vendor ownership, store location, or cessation of operations. Change of ownership is defined as a change in business structure that requires a change in Federal Identification Number (FIN); change of location is defined as a move from the authorized business location to a distance greater than 0.5-mile radius in an urban area or 2.5-mile radius in a rural area. The Department, in its sole discretion, may determine whether a change in location qualifies as an allowable distance and whether a change in business structure constitutes a change in ownership.

XIV. CHAIN CONTRACTS

Only those Vendors (i.e., store locations) specified on attachments to this contract are authorized to accept WIC benefits.

XV. LIMITATION POLICY

The approval of this contract is subject to the availability of funds.

The Department reserves the right to limit the number of Vendors authorized for the WIC Program in accordance with the most recent Limitation Policy and Selection Plan. The criteria applied to determine the number of Vendors needed within a specified area may include, but are not limited to, the ratio of Vendors to WIC participants, the distance between Vendors and participant accessibility, as determined by the Department.

XVI. VENDOR SANCTION SCHEDULE

Violations of the terms and conditions of the WIC Vendor Contract shall be enforced in accordance with the WIC Vendor Sanction Schedule, which is hereby made a part of this contract. The Vendor acknowledges receipt of a copy of the most recent WIC Vendor Sanction Schedule. In its sole discretion, the Department may issue revisions to the WIC Vendor Sanction Schedule as determined necessary.

XVII. EXPIRATION, TERMINATION OF CONTRACT AND DISQUALIFICATION FROM WIC PROGRAM

Expiration is when a contract between the Department and the Vendor ceases to be effective because the end date as specified in the contract has been reached. This is not subject to Appeal or Administrative Review.

Termination is the ending by either party of the contract between the Department and the authorized WIC Vendor. Notification of the termination action shall be mailed to the affected party at least 21 calendar days in advance of the effective date of the action as appropriate.

Disqualification is an action taken by the Department for ending the Vendor's eligibility to participate in the WIC Program for a specific period of time or permanently, for cause.

Considerations for issuing a termination or a termination and disqualification by the Department include, but are not limited to:

1. Failure of the Vendor to comply with conditions and responsibilities set forth in this contract, the most recent Federal Regulations at 7 CFR 246, the most recent State Plan of Program Operation and Administration and the most recent Vendor Sanction Schedule and subsequent revisions to these documents.
2. Civil Money Penalty in lieu of termination and disqualification.

The Department may, in its sole and exclusive discretion, impose a Civil Money Penalty in lieu of termination and disqualification if it is determined that such disqualification will have an adverse impact on participant accessibility. The Department will not impose a Civil Money Penalty in lieu of permanent disqualification for Vendors convicted of trafficking in WIC benefits or selling firearms, ammunition, explosives, or controlled substances (as defined in Section 102 of the Controlled Substance Act (21 USC 802) in exchange for food benefits).

XVIII. APPEALS

The Vendor has the right to an Administrative Hearing or an Administrative Review of certain eligible adverse actions by the Department, as defined in MI-WIC Vendor Policy 7.0 Vendor Appeals. Policy 7.0 also establishes those adverse actions which:

1. May be appealed through administrative review;
2. May be appealed through administrative hearing; or
3. Are not appealable.

Michigan WIC's Appeals Policy also establishes a process by which a Vendor may request administrative review or administrative hearing.

XIX. PENALTY

A Vendor that commits fraud or abuse of the WIC Program is liable for prosecution under applicable Federal, State and Local laws. Vendors who have willfully misapplied, stolen, or fraudulently obtained WIC funds shall be subject to a fine of not more than \$25,000.00, imprisonment for not more than five years or both. If the value of the funds is less than \$100.00, then the penalties are a fine of not more than \$1,000.00, imprisonment for not more than one year or both.

If the Department discovers evidence of the Vendor committing criminal fraud or abuse in

the WIC Program, the department must provide such evidence to appropriate law enforcement authorities.

XX. SNAP RECIPROCAL DISQUALIFICATIONS

The Department will disqualify the Vendor if the Vendor has been disqualified from SNAP. The disqualification must be for the same length of time as the SNAP disqualification, may begin at a later date than the SNAP disqualification, and is not subject to an administrative hearing or review under the WIC Program.

XXI. SEVERABILITY

If any provision of this contract or any provision of any document attached to or incorporated by reference is waived or held to be invalid, such waiver or invalidity shall not affect other provisions of this agreement.

If this contract is terminated due to voluntary withdrawal or store closure, such termination is not subject to appeal. This includes ceasing operation for any reason except, upon written notification to the Department, temporary closure resulting from casualty losses, natural disaster, or renovation for improvements as set out in the State Plan of Program Operation and Administration and any subsequent revisions. In accordance with Federal Regulations, this contract shall not be eligible for termination due to voluntary withdrawal if it is determined by the Department that such termination is for the purpose of circumventing a sanction (7 CFR 246.12(l)(1)(viii)).

XXII. ASSURANCES

Assurance is hereby given to the Department that in accordance with Title VI of the Civil Rights Act of 1964 (42 USC 2000d *et seq.*), Section 504 of the Rehabilitation Act of 1973 (29 USC 706), the Regulations issued thereunder by the U.S. Department of Health and Human Services (45 CFR Parts 80, 84, 86 and 91), the Age Discrimination Act of 1975 (42 USC 6101 *et seq.*), the Michigan Handicapper's Civil Rights Act (1976 PA 220), the Elliott-Larson Civil Rights Act (1976 PA 453), and the USDA regulations regarding nondiscrimination at 7 CFR Parts 15, 15a and 15b, that no individual shall be excluded from participation, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity provided by the Vendor on the basis of race, color, national origin, religion, sex, age, disability, citizenship, veteran status, height, weight, marital status, or genetic information.

Assurance is hereby given to the Department that the Vendor will comply with 45 CFR Part 76 regarding debarment and suspension and certifies to the best of its knowledge and belief that the Vendor:

1. Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Agency or Contractor.
2. Within a three-year period preceding this contract, has not been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or Local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery,

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falsification or destruction of records, making false statements, or receiving stolen property.

3. Is not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or Local) with commission of any offenses.
4. Within a three-year period preceding this contract, has not had one or more public transactions (Federal, State or Local) terminated for cause or default.

XXIII. PREVIOUS CONTRACT VIOLATIONS – CARRY-OVER

Any administrative violation points as defined in Section I of the WIC Vendor Sanction Schedule, and any documented incidences of sanctions as defined in Sections II and III of the WIC Vendor Sanction Schedule which occurred during the previous contract period may be carried over and used as a basis for termination and/or disqualification or other sanctions under this or any subsequent contracts, in accordance with the most recent WIC Vendor Sanction Schedule.

Further, any administrative violation points as defined in Section I of the WIC Vendor Sanction Schedule, and any documented incidences of sanctions as defined in Sections II and III of the WIC Vendor Sanction Schedule which occur during this contract period may be carried forward into a future contract and used as a basis for termination and disqualification or other sanctions under any subsequent contracts, in accordance with the most recent WIC Vendor Sanction Schedule.

XXIV. CONFIDENTIALITY/SAFEGUARDING OF INFORMATION

1. Vendor should keep information about WIC participants confidential under 7 CFR 246.26(d).
2. Vendor may not disclose, either orally or in writing, any confidential information subject to applicable provisions of 7 CFR 246.26 and other federal and state laws and administrative rules governing confidentiality.
3. Vendor agrees to limit access to confidential information to the minimum amount of information necessary, to the fewest number of people, for the least amount of time required.
4. The obligations set forth in this clause shall survive completion, cancellation, expiration, or termination of this Contract.
5. Vendor information that may be provided to others includes name, address, telephone number, email/website, store type and authorization status.

XXV. SPECIAL CERTIFICATION

The Vendor, through signature of the owner or an authorized representative, accepts all terms of this contract. The individuals signing this contract certify that they are authorized to sign the contract on behalf of the Vendor and the Department, respectively, and that all information provided on the Vendor application is true, accurate and complete. This contract becomes valid only upon signature by an authorized representative of the

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Department.

XXVI. EFFECTIVE DATE

Unless otherwise specified under period of performance, the effective date of this Contract and subsequent amendments, if any, is the date of execution. The date of execution is the date of signature by an authorized representative of the Bureau of Grants and Purchasing.

VENDOR – Please complete all 4 areas below marked with an X:

X _____ X _____
Print Your Name (NOT the store name) Print Your Title

X _____ X _____
Signature Date

******* WIC OFFICE USE ONLY *******
DO NOT WRITE IN THIS BOX

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Recommended By:

Name Title

Signature Date

Bureau of Grants and Purchasing

Approval By:

Jeanette Hensler

Director, Grants Division, Bureau of Grants and Purchasing

Signature Date

This institution is an equal opportunity provider.

2.6 WIC Pharmacy Vendors



The Michigan WIC Program partners with Pharmacy, or 'formula only' Vendors, to ensure that WIC participants can order and access specialty formulas. Pharmacy Vendors are defined as stand-alone pharmacies, i.e., when the pharmacy IS NOT associated with a grocery store. These Vendors have different selection criteria and contract requirements than full-line grocer Vendors and are **only allowed to redeem a participant's medical formula or medical food benefits**.

If you are a grocery store that has an in-store pharmacy, you can also refer WIC shoppers to the pharmacy counter to order formula that is not found on the grocery shelf.

Quick facts:

- Pharmacy-only Vendors are only required to carry the minimum stock of infant formula. Pharmacies are exempt from all other WIC-approved food minimum stock requirements.
- Pharmacy Vendors may only accept WIC benefits for infant, child, and adult formula or medical food. Other WIC foods (milk, cheese, juice, etc.) are not allowed to be redeemed at a stand-alone pharmacy.
- The WIC Program expects pharmacies to order specialty formulas for WIC participants and source them within **two business days**. All currently approved WIC formulas can be found on [Michigan WIC Authorized Formula list](#) on the following page.
- As of August 1, 2021, there were 361 authorized WIC Pharmacy Vendors in the state of Michigan.

As a Pharmacy Vendor, it is your responsibility to ensure participants can get the specialty formulas they need. If you are having trouble reading a participant's formula prescription or identifying the correct UPC for order placement, please call the **Consultant DuJour Helpline** at 1 (800) 942-1636; press #1, then #2.



2.7 WIC-Approved Formulas

Michigan WIC Authorized Formulas Effective November 1, 2021

CONTRACT FORMULAS (Require Medical Documentation ¹ only for a Child ≥ 12 Months)								
Formula	Size	Form	Manufacturer	Cat & Subcat	R/I ²	Purchase Quantity ³	WIC Eligible Category	Class
Similac Advance	12.4 oz can	Powd	Abbott	21 082	R	1	I, C1-C4	I
	32 fl oz bottle	RTF ⁴	Abbott	21 084	R	1	I, C1-C4	I
	13 fl oz can	Conc	Abbott	21 083	R	1	I, C1-C4	I
Similac Sensitive	12.5 oz can	Powd	Abbott	21 034	R	1	I, C1-C4	I
	32 fl oz bottle	RTF ⁴	Abbott	21 036	R	1	I, C1-C4	I
Similac Soy Isomil	12.4 oz can	Powd	Abbott	21 031	R	1	I, C1-C4	I
	32 fl oz bottle	RTF ⁴	Abbott	21 033	R	1	I, C1-C4	I
	13 fl oz can	Conc	Abbott	21 032	R	1	I, C1-C4	I
Similac for Spit Up	12.5 oz can	Powd	Abbott	21 085	R	1	I, C1-C4	I
Similac Total Comfort	12.6 oz can	Powd	Abbott	21 088	R	1	I, C1-C4	I
SPECIAL FORMULAS (Require Medical Documentation ¹)								
Boost	8 fl oz bottle	RTF	Nestle	41 173	R	6, 12	W	III
Boost Breeze	8 fl oz drink box	RTF	Nestle	41 289	I	1	W, C1-C4	III
Boost Glucose Control	8 fl oz bottle	RTF	Nestle	41 174	R	6	W	III
Boost High Protein	8 fl oz bottle	RTF	Nestle	41 226	R	6, 12	W, C1-C4	III
Boost Kid Essentials 1.0	8 fl oz drink box	RTF	Nestle	41 224	I	1	C1-C4	III
Boost Kid Essentials 1.5 CAL	8 fl oz drink box	RTF	Nestle	11 245	I	1	C1-C4	III
Boost Kid Ess. 1.5 CAL w/ Fiber	8 fl oz drink box	RTF	Nestle	11 246	I	1	C1-C4	III
Boost Plus	8 fl oz bottle	RTF	Nestle	41 172	R	6, 12	W	III
Compleat Ped. Organic Blends	10.1 fl oz pouch	RTF	Nestle	41 355	I	1	C1-C4	III
Compleat Pediatric	250 ml tetra prisma	RTF	Nestle	41 181	I	1	C1-C4	III
Compleat Pediatric Reduced Cal	250 ml tetra prisma	RTF	Nestle	41 290	I	1	C1-C4	III
EleCare Infant ⁷	14.1 oz can	Powder	Abbott	11 244	I	1	I, C1	III
EleCare Jr.	14.1 oz can	Powder	Abbott	31 074	I	1	C1-C4	III
Enfamil NeuroPro Enfacare ⁶	13.6 oz can	Powder	MJN	11 235	R	1	I, C1	III
Enfamil Premature 24 Cal ⁵	2 fl oz bottle	RTF	MJN	31 070	I	6	I	III
Enfaport ⁷	6 fl oz bottle	RTF	MJN	41 304	I	6, 24	I, C1	III
Ensure	8 fl oz bottle	RTF	Abbott	11 200	R	6	W	III
Ensure Plus	8 fl oz bottle	RTF	Abbott	11 203	R	6	W	III
Ketocal 4:1	300 g (11 oz) can	Powder	Nutricia	41 057	I	1	W, C1-C4	III
Ketocal 4:1 Liquid	8 fl oz tetra prisma	RTF	Nutricia	41 276	I	27	W, C1-C4	III
Neocate Infant ⁷	400 g (14.1 oz) can	Powder	Nutricia	11 231	I	1	I, C1	III
Neocate Syneo Infant ⁷	400 g (14.1 oz) can	Powder	Nutricia	31 102	I	1	I, C1	III

Formula	Size	Form	Manufacturer	Cat & Subcat	R/I ²	Purchase Quantity ³	WIC Eligible Category	Class
Neocate Junior (w/ or w/out Prebiotics)	400 g (14.1 oz) can	Powder	Nutricia	11 237	I	1	C1-C4	III
Neocate Splash	8 fl oz tetra prisma	RTF	Nutricia	11 236	I	1, 27	C1-C4	III
Nutramigen	13 fl oz can	Concentrate	MJN	11 111	R	1	I, C1-C4	II
	32 fl oz bottle	RTF ⁴	MJN	11 112	R	1	I, C1-C4	II
Nutramigen w/ Enflora LGG	12.6 oz can	Powder	MJN	11 248	R	1	I, C1-C4	II
Nutren Junior	250 ml tetra prisma	RTF	Nestle	11 238	I	1	C1-C4	III
Nutren Junior Fiber	250 ml tetra prisma	RTF	Nestle	11 239	I	1	C1-C4	III
Pediasure	8 fl oz bottle	RTF	Abbott	11 218	R	6, 16	C1-C4	III
Pediasure w/ Fiber	8 fl oz bottle	RTF	Abbott	11 226	R	6	C1-C4	III
Pediasure 1.5	8 fl oz can	RTF	Abbott	41 256	I	1, 24	C1-C4	III
Pediasure 1.5 w/ Fiber	8 fl oz can	RTF	Abbott	41 257	I	1, 24	C1-C4	III
Pediasure Peptide 1.0	8 fl oz bottle	RTF	Abbott	41 296	I	1, 24	C1-C4	III
Pediasure Peptide 1.5	8 fl oz bottle	RTF	Abbott	41 258	I	1, 24	C1-C4	III
Peptamen Junior	250 ml tetra prisma	RTF	Nestle	11 230	I	1	C1-C4	III
Peptamen Junior Fiber	250 ml tetra prisma	RTF	Nestle	41 303	I	1	C1-C4	III
Peptamen Junior 1.5	250 ml tetra prisma	RTF	Nestle	41 302	I	1	C1-C4	III
Pregestimil	16 oz (1 lb) can	Powder	MJN	11 120	R	1	I, C1-C4	II
Puramino	14.1 oz can	Powder	MJN	31 069	I	1	I, C1	III
Puramino Jr	14.1 oz can	Powder	MJN	41 331	I	1	C1-C4	III
RCF	13 fl oz can	Concentrate	Abbott	11 220	I	1	I, C1-C4	III
Similac Alimentum	12.1 oz can	Powder	Abbott	11 101	R	1	I, C1-C4	II
	32 fl oz bottle	RTF ⁴	Abbott	11 102	R	1	I, C1-C4	II
Similac NeoSure ⁶	13.1 oz can	Powder	Abbott	11 232	R	1	I, C1	III
	32 fl oz bottle	RTF ⁴	Abbott	31 071	R	1	I, C1	III
Similac PM 60/40 ⁷	14.1 oz (400 g) can	Powder	Abbott	11 221	I	1	I, C1	III
Similac Special Care 24 ⁵	2 fl oz bottle	RTF	Abbott	31 040	R	8	I	III

Abbreviations:

C1-C4: Child 1-4 years old I: Infant MJN: Mead Johnson Nutrition R/I: Retail/Institutional RTF: Ready to Feed W: Woman

Footnotes

1. Special Formula/Food Request form as well as revisions to the List of Authorized WIC Formulas are available at michigan.gov/wic medical providers tab.
2. In general, retail products ("R") are likely shelf stock items available via WIC grocery vendors. Institutional products ("I") may require a special order and are more likely available via WIC pharmacy vendors.
3. Purchase Quantity: WIC staff should inform the client that these are the quantities the formula is packaged (i.e. 6 pack). The maximum food package may not be evenly divided by the purchase quantity. If "1" is not listed, individual bottles are not allowed. (i.e. Pediasure)
4. RTF formulas, when available in other forms, require one or more of the conditions in policy 7.02 or in policy 7.03 to be approved.
5. These formulas require a qualifying condition of prematurity and can be issued until the infant reaches a body weight of 8 pounds.
6. These formulas require a qualifying condition of prematurity or low birth weight. See MI-WIC Policy 7.03 for requirements.
7. These formulas can be issued in cases of prematurity up to one year adjusted age. See MI-WIC Policy 7.03 for requirements.

This institution is an equal opportunity provider.



3.WIC Authorized Foods & Minimum Stock Requirements

3.1 WIC Foods Overview

Maintaining inventory to meet the minimum stock requirements is an essential part of being an authorized WIC Vendor and the Michigan WIC Program regularly monitors Vendors for these requirements.

Not only is minimum stock a Contract requirement, but it also helps foster customer loyalty by ensuring WIC participants are able to redeem their benefits each time they frequent a Vendor. The complete [WIC Vendor Minimum Stock Requirements Form](#) can be found later in this section and online at michigan.gov/WICVendor.

The following are useful strategies that can help Vendors maintain required minimum stock. Additionally, Vendors are always encouraged to stock more than the minimum stock and provide customers with as many varieties as possible to choose from. A complete list of all currently approved WIC foods can be found in the [Michigan WIC Food Guide](#) on the next page.

1. Maintain a back-stock of WIC-approved foods.

Simply meeting the mandatory minimum stock still puts the Vendor at risk of falling below the requirement throughout the week. Having additional inventory that exceeds minimum stock allows Vendors to replenish shelves without leaving the store.

2. Keep records of WIC food inventory.

Maintaining a regular log of WIC foods and their expiration dates allows Vendors to track which items need to be rotated or re-stocked.

3. Stock shelves to serve community preferences.

Ask WIC customers what items they like in order to inform inventory choices that increase sales and reduce waste. Maintaining minimum stock is most cost effective if items are sold before they become outdated.

4. Stock a variety of items for each category.

Carrying a variety of WIC-approved food items allows Vendors to serve the preferences of a more diverse customer base and carry multiple items that satisfy the required minimum stock.

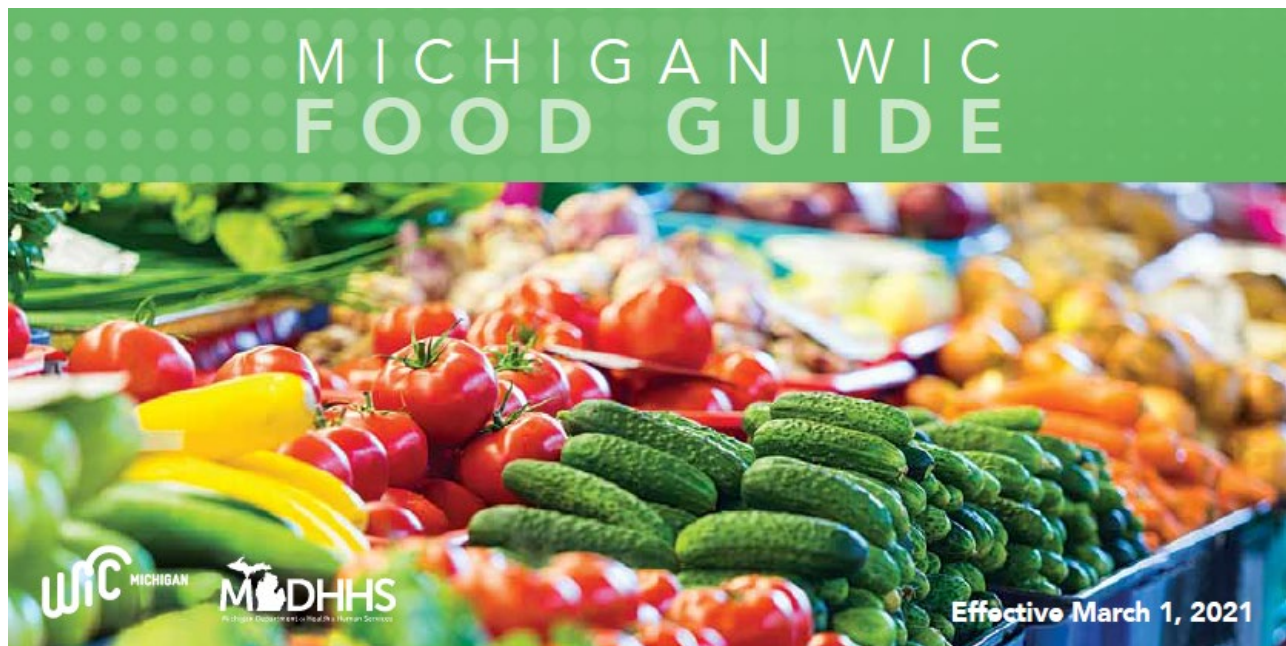
In this section you will find:

- The Michigan WIC Food Guide;
- The WIC Vendor Minimum Stock Requirements form;
- Instructions for transacting fresh fruits and vegetables; and
- Recent updates to the Food Guide and Participant benefits.

3.2 Michigan WIC Food Guide

The Michigan WIC Food Guide describes all currently approved WIC food items using pictures and words. A full electronic copy of the Michigan WIC Food Guide can be found on our website at michigan.gov/WICVendor. The Food Guide comes in [English](#), [Spanish](#) and [Arabic](#).

Updates are periodically made to the Food Guide and sent to Vendors via email. Any updates can also be found on our website at michigan.gov/WICVendor. If your store needs additional Food Guides, please contact the Vendor Relations Unit at (517) 335-8937 or by email at MDHHS-WICVendor@michigan.gov.



3.3 Minimum Stock Requirements

The [WIC Vendor Minimum Stock Requirements](#) outline the food categories and quantity of items that Vendors must have in stock at all times. This list is not comprehensive and does not include all WIC-approved food items found in the [Michigan WIC Food Guide](#) (previous page).

What should I do if I run low on minimum stock before my scheduled delivery?

If you fall below minimum stock and your delivery is scheduled to occur in more than 24 hours, you are contractually required to find an additional source for the necessary items. In the short-term, this could include running to a nearby grocery store for supplemental stock. In the long-term, Vendors that regularly run low on items may want to consider increasing their wholesaler order or getting multiple deliveries within a week.

Maintaining additional stock of non-perishable WIC items in storage is also an effective strategy for ensuring you always have the required minimum stock on hand.

What happens if I run low on minimum stock?

Minimum stock is one of the items Vendor Relations field staff looks for during on-site monitoring visits. If a monitoring visit is conducted at your store and you are found to be low on stock or have no stock, this will be documented and could result in points being assigned to your store. If a Vendor reaches 35 points or more, they may be terminated from the WIC Program or face additional adverse action.

WIC Participants can also file complaints against Vendors when they are unable to find the items they have been prescribed. If we receive a minimum stock complaint against a Vendor this may trigger a follow-up monitoring visit as well.

Do I need to carry more than the minimum stock?

While Vendors are not contractually required to carry more than the minimum stock, the WIC Program does encourage Vendors to stock as many options and variety of WIC items as possible. This not only benefits WIC Participants and makes it easier for them to find their prescribed items, but can also increase a Vendor's WIC redemptions, as participants are more likely to return to a store that fulfills their needs.

When possible, Vendors may also source specialty items for participants in their area, like lactose-free milk and additional types of formula.

Please see the following page for a copy of the [WIC Vendor Minimum Stock Requirements](#) form. This form can also be found on the Michigan WIC website at Michigan.gov/WICVendor.

MICHIGAN WIC PROGRAM

Elliott-Larsen Building, 320 S. Walnut St., Lansing, MI 48913 Telephone: (517) 335-8937 Email: mdhhs-wicvendor@michigan.gov

Vendors are strongly encouraged to stock as many varieties of WIC-approved foods as possible, including those items not part of the WIC Vendor Minimum Stock Requirements.

WIC VENDOR MINIMUM STOCK REQUIREMENTS

EFFECTIVE: NOVEMBER 1, 2021

A WIC VENDOR MUST HAVE, AT A MINIMUM, THE FOLLOWING FOOD ITEMS IN STOCK AT ALL TIMES:

FOOD GROUP	QUANTITY	WIC-APPROVED PRODUCT SPECIFICATIONS
FORMULA	12 Units (1 unit = 1 can)	12.4 oz can powder Similac Advance AND/OR 12.6 oz can powder Similac Total Comfort. 13 oz concentrate Similac Advance must be made available upon request.
FRUITS	\$20 Retail Value OR 15 Pounds 4 Varieties At least 2 varieties must be fresh	Any combination of fruits except those listed in the Food Guide as not allowed. Must carry at least 4 varieties of fruits. At least 2 varieties must be fresh; the other two varieties may be fresh, frozen or canned. - Varieties of fruit within the same family count as one variety. For example: green and red grapes count only as grapes. - Lemons and limes count only as one variety.
VEGETABLES	\$20 Retail Value OR 15 Pounds 4 Varieties At least 2 varieties must be fresh	Any combination of vegetables except those listed in the Food Guide as not allowed. Must carry at least 4 varieties of vegetables. At least 2 varieties must be <u>fresh</u> ; the other two varieties may be fresh, frozen or canned. - Yams and sweet potatoes DO count towards the minimum stock requirement. - White potatoes, cilantro and parsley are approved, but DO NOT count towards the minimum stock requirement.
WHOLE GRAINS	8 Units, At least 4 units of bread (1 unit = 16 oz package)	At least 4 of the 8 units must be 16 oz loaves of WIC-approved whole wheat/whole grain bread. Approved whole grain options include bread, tortillas, brown rice, pasta and oats. See Food Guide for allowable products.
CEREALS	12 Units At least 6 Varieties, 3 Whole Grain (1 unit = box/bag of any size)	- At least 6 varieties in approved sizes only. - At least 3 of the 6 varieties must be whole grain. See Food Guide for WIC-approved brands and sizes of cereal, including those that are whole grain.
EGGS	5 Units (1 unit = dozen eggs)	- Any size, white shells only, one dozen package; may be cage free.
FISH	12 Units (1 unit = package/can of any size)	- Any brand in 2.5-30 oz packages of chunk light tuna, mackerel, sardines or pink salmon
INFANT CEREALS	6 Units, at least two varieties (1 unit = 8 oz box/container)	- At least two varieties (i.e., multigrain, oatmeal, rice, whole wheat, etc.) 8 oz containers of infant cereal without added fruit, formula, DHA/ARA or other non-cereal ingredients.
INFANT FRUITS AND VEGETABLES	72 Units (1 unit = 4 oz) At least one variety of fruit(s) AND one variety of vegetable(s)	4 oz glass jar, 4 oz 2-pack plastic tubs AND/OR 2 oz 2-pack plastic tubs only. - Any variety single fruit or vegetables (ex. apple sauce, sweet peas); - Any variety mixed fruits/vegetables (ex. carrots & peas, apples & bananas, sweet potatoes & apples).
BEANS, LENTILS AND PEAS	4 Units (1 unit = 16 oz bag or 4 cans/jars)	Any brand in 16 oz bags AND/OR 15-16 oz cans/jars. 4 cans/jars are equal to 1 bag of dry beans, lentils or peas
PEANUT BUTTER	4 Units (1 unit = 16-18 oz Jar)	Any brand and variety (smooth, creamy, crunchy or extra crunchy) in a 16-18 oz jar. See Food Guide.
WHOLE MILK	4 Units (1 unit = 1 full gallon)	Any brand of Whole milk in full gallons. - Half gallons do not count towards the minimum stock requirements.
LOW FAT AND/OR FAT FREE MILK	4 Units (1 unit = 1 full gallon)	Any brand of Low Fat (1%, ½%) or Fat Free (skim) milk in full gallons. - Half gallons do not count towards the minimum stock requirements.
YOGURT	4 Units (1 unit = 32 oz)	Any brand of WIC-approved yogurt in 32 oz tubs, 4 oz 4-packs, 4 oz 8-packs, 2 oz 8-packs, AND/OR 2 oz 16-packs. - Note: A 4-pack consisting of four 4 oz cups is equal to 16 oz and thus would only count as ½ a unit.
CHEESE	5 Units (1 unit = 16 oz package)	Any brand of cheese in the types listed in the Food Guide. Must be pre-packaged in <u>16 oz only</u> .
64 OZ JUICES	10 Units, At least 2 flavors (1 unit = 64 oz bottle)	At least 2 flavors in 64 oz bottles. See Food Guide for allowed WIC-approved brands, types and flavors.
48 OR 11.5/12 OZ JUICES	5 Units, At least 2 flavors (1 unit = 48 oz bottle or 11.5/12 oz can of juice concentrate)	At least 2 flavors in 48 oz bottles AND/OR 11.5-12 oz cans of juice concentrate. See Food Guide for WIC-approved brands, types and flavors.

Only items authorized and listed in the current Michigan WIC Food Guide and published updates will be counted toward the mandatory minimum stock requirements listed above.

For guidance on items that are not WIC-approved, see the back side of this document.

FOOD GROUP	GUIDANCE FOR ITEMS THAT ARE NOT WIC-APPROVED		
FORMULA	See WIC Formula List for approved brands, varieties and sizes. Each client's specific formula information will be visible on their WIC Food Shopping List.		
FRUITS AND VEGETABLES	<u>Fresh Fruits and Vegetables</u> <ul style="list-style-type: none"> • Pre-cut fruits or vegetables with added preservatives • Herbs or spices, except cilantro and parsley • Herb pastes, spices or edible flowers • Party trays or platters • Fruits or vegetables from salad bars • Fruit and nut mixtures • Fruit baskets • Ornamental or decorative fruits or vegetables • Salad kits/bowls with dressing or added foods • Salsa 	<u>Canned Fruits and Vegetables</u> <ul style="list-style-type: none"> • Fruits packed in syrup • Added meat, rice or pasta • Artificial sweetener • Pickled vegetables, relishes or ketchup • Cranberry sauce or pie filling • Salsa, pizza or pasta sauce • Juice* • Beans* or baked beans • Smoothies with non-fruit or non-vegetable ingredients • Pouches labeled as infant/toddler food 	<u>Frozen Fruits and Vegetables</u> <ul style="list-style-type: none"> • Added sugar, breading, butter, sauce, fat, oil, salt or seasoning • Added meat, rice or pasta • Fries or tater tots • Juice* • Smoothies with non-fruit or non-vegetable ingredients • Soup <p>*These items may be purchased with juice or legume benefits.</p>
WHOLE GRAINS	Products not listed in the WIC Food Guide or published updates are not WIC-approved.		
CEREALS	Products not listed in the WIC Food Guide or published updates are not WIC-approved.		
EGGS	<ul style="list-style-type: none"> • Organic • Free range or pasture raised • Grain, grass or vegetarian fed 	<ul style="list-style-type: none"> • Low Cholesterol • Pasteurized • Fortified/enriched with omega-3, DHA or vitamin E 	
FISH	<ul style="list-style-type: none"> • Organic • Albacore or solid white tuna • Atlantic or sockeye (red or blueback) salmon; prime or smoked salmon fillets 	<ul style="list-style-type: none"> • King mackerel • Lunch packs, lunch kits, tuna salad • Premium brands, like Blue Harbor and Wild Planet • Fresh or frozen 	
INFANT CEREALS	<ul style="list-style-type: none"> • Added fruit, formula, DHA/ARA or other non-cereal ingredients 		
INFANT FRUITS AND VEGETABLES	<ul style="list-style-type: none"> • Squeeze pouches • Added cereal or meat • Added flour, starches, sugar, salt or DHA 	<ul style="list-style-type: none"> • Dinners • Yogurt blends • Desserts (for example, pudding or cobbler) 	
BEANS, LENTILS AND PEAS	<ul style="list-style-type: none"> • Organic • Dry – Premium brands, like Barzi beans • Dry beans with seasoning packets • Canned - Beans with added fat, oil, meat, fruits, vegetables or sugars • Canned - Baked beans 	<ul style="list-style-type: none"> • Canned - Pork and beans • Canned - Chili beans or soups • Canned - Green beans, snap, wax or yellow beans* • Canned - Green or sweet peas* <p>*These items may be purchased with fruits and vegetables dollar benefit</p>	
PEANUT BUTTER	<ul style="list-style-type: none"> • Organic • Specialty brands, like Arrow Head Mills and Fifty50 • Added jelly, marshmallow, honey, chocolate or other flavorings 	<ul style="list-style-type: none"> • Peanut spread or reduced fat peanut butter • Peanut butter with DHA or Omega 3 • Whipped 	
WHOLE MILK LOW FAT AND/OR FAT FREE MILK	<ul style="list-style-type: none"> • Organic • A2 milk • Chocolate or flavored milk • Evaporated filled milk • Nut or grain milk (like almond or rice) 	<ul style="list-style-type: none"> • Value added (Kid's Milk, Fairlife or Fit Milk) • Glass bottles • Unhomogenized milk • UHT milk • Guernsey brand milk 	
YOGURT	<ul style="list-style-type: none"> • Organic or Greek • 2% or whole milk yogurt • Yogurts with separate mix-in items (ex: candy, granola, honey or nuts) 	<ul style="list-style-type: none"> • Artificial sweeteners (ex: aspartame, Stevia, sucralose or saccharine) • Yogurt in bottles (drinkable) or pouches • Activia Fusion brand yogurt 	
CHEESE	<ul style="list-style-type: none"> • Organic • Shredded, grated, cubed, crumbles, shapes or curds • Sliced cheese, except American • Individually wrapped cheese slices (singles), sticks or strings • Cheese foods (for example: Velveeta) • Cheese products, whips or spreads 	<ul style="list-style-type: none"> • Smoked cheese or raw milk cheese • Variety wheels or variety packs • Cracker backers or stackers • Cheese with pimento, peppers, seeds, meat, etc. • Fresh mozzarella, soy, farmer or goat cheese • Imported cheese 	
64 OZ JUICES	Products not listed in the WIC Food Guide or published updates are not WIC-approved.		
48 OR 11.5/12 OZ JUICES	Products not listed in the WIC Food Guide or published updates are not WIC-approved.		

3.4 Using Cash-Value Benefits

In 2008, changes were put into place by the USDA allocating a certain dollar amount to participants each month for the purchase of fresh fruits and vegetables. This is referred to as a cash-value benefit, or CVB.

The transaction process for fresh fruits and vegetables is different than that of normal WIC items, specifically for Vendors with **stand-beside** point-of-sale (POS) devices.



Stand-beside devices:

- The cashier will scan all items with a barcode, including **canned and frozen** fruits and vegetables.
- **Fresh** fruits and vegetables should be set aside and entered last.
- At the end of the transaction, the prompt **CVB FRESH?** will appear after all other items have been scanned. If there are fresh fruits and vegetables, the cashier will hit **YES** and enter the total dollar amount for all fresh fruits and vegetables.
- If the CVB benefit amount is exceeded, the device will alert the user that the participant's CVB balance is at zero. At this point, the WIC participant may use additional forms of payment (SNAP, credit, debit, cash) to pay the difference. This is called **split tender**.
- If the participant is willing to tender the difference in cost, the available balance will be entered in the WIC POS terminal for payment by the WIC Program.

Integrated systems:

- The cashier will scan all items with a barcode, including **canned and frozen** fruits and vegetables.
- For **fresh** fruits and vegetables, the cashier may be required to key in the **store-specific PLU** associated with that item.
- If the PLU is not working, this is likely because the store's scanning coordinator has not linked the product-specific PLU to 44691 in their system. Cashiers may key in the **PLU 44691** to transact fresh fruits and vegetables not in the system.

Reminders:

- NEVER scan a UPC code for fresh fruits and vegetables, even if there is one.
- The PLU 44691 can ONLY be used for fresh fruits and vegetables. To use it for anything else is a VIOLATION of your WIC Vendor Contract.

3.5 Fruits & Vegetables

As of June 1, 2020, the Michigan WIC Program added canned and frozen fruits and vegetables to the approved product list (APL). The following provides a snapshot of approved fruits and vegetables, categories that are not allowed, and minimum stock requirements. Please see the [MI WIC Food Guide](#) for further clarification.



Authorized Products

FRESH	FROZEN	CANNED
<ul style="list-style-type: none"> Organic Any variety of fresh fruits or vegetables without added sugars, fats or oils Whole, cut, bagged or pre-packaged Cilantro and parsley Pie pumpkins 	<ul style="list-style-type: none"> Organic Whole, cut or mixed fruits or vegetables Beans or peas, such as lima beans and black-eyed peas Any brand or package size/type 	<ul style="list-style-type: none"> Organic Any size metal, glass, plastic or pouch containers Individual servings or multi-packs Regular or low sodium Packed in juice or water without added sugars, fats, oils or salt Tomato paste, puree, or sauce Green beans and green peas

The following are not allowed:

FRESH	FROZEN	CANNED
<ul style="list-style-type: none"> Pre-cut with added preservatives Herbs, spices or edible flowers Party trays/platters Salad bar items Fruit and nut mixes Fruit baskets Ornamental or decorative fruits/veg Salad kits Salsa 	<ul style="list-style-type: none"> Added sugar, breading, butter, sauce, fat, oil, salt or seasoning Added meat, rice or pasta Fries or tater tots Juice Smoothies with non-fruit or non-vegetable ingredients Soup 	<ul style="list-style-type: none"> Fruits in syrup Added meat, rice, pasta Artificial sweetener Pickled vegetables, relishes, or ketchup Cranberry sauce or pie filling Salsa Pizza or pasta sauce Juice Beans or baked beans Pouches labeled as infant/toddler food

3.5 Fruits & Vegetables

Minimum Stock Requirements

Per the [WIC Vendor Minimum Stock Requirements](#), Vendors are required to carry the following for produce items at all times:

FRUITS	VEGETABLES
<ul style="list-style-type: none">• At least \$20 retail or 15 pounds• At least 4 varieties• At least 2 of the varieties must be fresh	<ul style="list-style-type: none">• At least \$20 retail or 15 pounds• At least 4 varieties• At least 2 of the varieties must be fresh

If you only choose to meet the requirement of 15 pounds each of fruits and vegetables, you must have a weight scale available in your store. Estimating the weight of these items is not acceptable.

Please note, **white potatoes** ARE eligible for purchase with the WIC cash-value benefit. White potatoes include varieties like Idaho, russet, Yukon gold, yellow, red and fingerling. However, white potatoes **will not** count toward the minimum stock requirement.

As of July 1, 2021, **parsley** and **cilantro** are also WIC-approved. However, they **do not** count towards the minimum stock requirements either.

Sweet **potatoes** and **yams** **do** count toward the minimum stock requirement. Lemons and limes only count as 1 variety.

Exchanges & Refunds

The current policy states that the refunding of any food item purchased using WIC benefits is **strictly prohibited**. This policy also applies to fresh fruits and vegetables. Exchanges are only allowed if the original purchase included **expired or spoiled** items. During the exchange, WIC participants should obtain the same items originally purchased. However, if that specific item is not available, they may select another WIC-approved fresh fruit or vegetable in exchange for the spoiled/expired items.

Additionally, there should be no cash or EBT involved with an exchange. The dollar amount spent during the original transaction should be the **identical dollar amount** obtained by the WIC participant in the exchange. As is currently the case, the issuance of credit or rain checks is prohibited. The exchange should occur as if the original transaction was successful and no exchange was needed.

3.6 WIC Food Guide Updates

The Michigan WIC Program is committed to continually improving access to healthy foods. To do so, the Program frequently updates its list of WIC-approved foods to reflect changes in production, availability and nutrition content. Please see the information below for recent updates.

Increase in Cash-Value Benefits

The American Rescue Plan Act of 2021 (ARPA), passed by the United States Department of Agriculture (USDA), allowed state WIC agencies to temporarily increase fruit and vegetable cash-value benefits (CVBs). As a result, the Michigan WIC Program temporarily increased the dollar value of the fruit and vegetable benefits provided to WIC participants as follows:

1. The monthly CVB amount was increased to \$35 for all children and women participants, beginning May 1, 2021 and ending on September 30, 2021.
2. As a reminder, monthly benefits start and expire on different days. WIC participants may continue to use the increased CVB amount until their October benefit start date.
3. In October, the CVB monthly dollar amount will return to \$9 for children and \$11 for women.

WIC Food Guide Changes (effective March 1, 2021)

Fresh Fruits and Vegetables	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> • Cilantro and Parsley 	<u>Updated Not Allowed Criteria:</u> <ul style="list-style-type: none"> • Herb pastes • Salsa
Frozen Fruits and Vegetables (new category)	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> • Organic • Whole, cut or mixed fruits or vegetables • Beans or peas, such as lima beans and black-eyed peas • Any brand or package size/type 	<u>Updated Not Allowed Criteria:</u> <ul style="list-style-type: none"> • Added sugar, breadings, butter sauce, fat, oil, salt or seasoning • Added meat, rice or pasta • Fries or tater tots • Juice • Smoothies with non-fruit or non-vegetable ingredients
Canned Fruits and Vegetables (new category)	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> • Organic • Any size metal, glass, plastic or pouch containers • Individual servings or multi-packs • Regular or low sodium • Any variety of fruits (including applesauce) packed in juice or water without added sugars, fats, oils or salt 	<u>Updated Not Allowed Criteria:</u> <ul style="list-style-type: none"> • Fruits packed in syrup • Added meat, rice or pasta • Artificial sweetener • Pickled vegetables, relishes or ketchup • Cranberry sauce or pie filling • Salsa • Pizza or pasta sauce • Juice • Beans or baked beans

3.6 WIC Food Guide Updates

<ul style="list-style-type: none"> Any variety of vegetables (including tomatoes) without added sugars, fats or oil Tomato paste, puree or sauce Green beans and green peas 	<ul style="list-style-type: none"> Smoothies with non-fruit or non-vegetable ingredients Pouches labelled as infant/toddler food
Whole Grains – Oatmeal	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Best Choice, Quick Oats 16oz Best Choice, Old Fashioned Oats 16oz 	<u>No Longer Allowed or Discontinued:</u> <ul style="list-style-type: none"> Simple Truth Old Fashioned Oats 16oz Our Family Old Fashioned Oats 16oz Our Family Quick Oats 16oz
Whole Grains – Brown Rice	
	<u>No Longer Allowed or Discontinued:</u> <ul style="list-style-type: none"> Added herbs, seasonings or beans Added sugars, fat, oils or salt
Whole Grains – Pasta	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Full Circle 16oz True Goodness Organic 16oz 	<u>No Longer Allowed or Discontinued:</u> <ul style="list-style-type: none"> Meijer Naturals brand 16oz Meijer Organics brand 16oz Meijer Select Italian brand 16oz Shurfine brand 16oz Spartan brand 16oz
Whole Grains – Bread/Buns	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Healthy Life 100% Whole Wheat 16oz Lewis 100% Whole Wheat 16oz 	<u>No Longer Allowed or Discontinued:</u> <ul style="list-style-type: none"> Shurfresh 100% Whole Wheat 16oz Spartan 100% Whole Wheat 16oz Spartan Whole Grain White 16oz
Whole Grains – Tortillas	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Best Choice Whole Wheat Fajita Style 8 ct Frescados Whole Grain 10 ct Kroger Yellow Corn 24 ct Our Family Whole Wheat Fajita Style 8 ct Our Family Whole Wheat Soft Taco 10 ct Our Family White Corn, 16 & 18 ct Our Family Yellow Corn 18 & 24 ct 	<u>No Longer Allowed or Discontinued:</u> <ul style="list-style-type: none"> ShurFine Whole Wheat Fajita Style 8 ct Spartan Whole Wheat Fajita Style 8 ct
Cereals – Cold	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> All approved cereals now allowed in any size package 12oz or larger General Mill's Chex <ul style="list-style-type: none"> Blueberry Chex Cinnamon Chex Vanilla Chex General Mill's Wheaties General Mill's Kix <ul style="list-style-type: none"> Honey Kix Berry Kix General Mill's Total – Whole Grain 	<u>No Longer Allowed or Discontinued:</u> <ul style="list-style-type: none"> Kellogg's Dora the Explorer Malt-O-Meal Blueberry Mini Spooners Post Bran Flakes Post Honey Bunches of Oats <ul style="list-style-type: none"> Cinnamon Bunches Nature's Crunch brand cereals ShurFine brand cereals Spartan brand cereals

3.6 WIC Food Guide Updates

<ul style="list-style-type: none"> • Kellogg's All-Bran Complete Wheat Flakes • Kellogg's Crispix Original • Kellogg's Frosted Mini-Wheats <ul style="list-style-type: none"> ○ Little Bites ○ Filled w/ Mixed Berry ○ Blueberry ○ Strawberry • Kellogg's Special K <ul style="list-style-type: none"> ○ Banana ○ Honey Almond Ancient Grains ○ Original Multi-Grain Touch of Cinnamon • Post Grape Nuts <ul style="list-style-type: none"> ○ Flakes ○ Original • Post Great Grains Crunchy Pecan • Post Honey Bunches of Oats • Pecan & Maple Brown Sugar • Quaker Life <ul style="list-style-type: none"> ○ Vanilla ○ Strawberry • Always Save <ul style="list-style-type: none"> ○ Corn Flakes ○ Frosted Shredded Wheat • Toasted Oats 	
Cereals – Hot	
	<u>No Longer Allowed or Discontinued:</u> <ul style="list-style-type: none"> • IGA Instant Oatmeal • Meijer Instant Oatmeal
Eggs (New Criteria)	
	<u>Full Not Allowed Criteria:</u> <ul style="list-style-type: none"> • Brown shells • Organic • Free range or pasture raised • Grains, grass or vegetarian fed • Low cholesterol • Pasteurized • Fortified/enriched with omega-3, DHA or vitamin E
Fish (New Criteria)	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> • Any size, can or foil pouch, up to a total of 30oz • In addition to previously authorized brands, any brand chunk light tuna or pink salmon • Any brand mackerel or sardines • Added sauces and flavorings, such as tomato sauce, mustard or lemon • May include bones or skin 	<u>Full Not Allowed Criteria:</u> <ul style="list-style-type: none"> • Organic • Albacore/solid white tuna, Atlantic or sockeye (red or blueback) salmon, prime or smoked salmon fillets, king mackerel • Lunch packs, lunch kits or tuna salad • Premium brands, like Blue Harbor and Wild Planet • Fresh or frozen

3.6 WIC Food Guide Updates

Infant Meats	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Organic, any brand 	<u>Updated Not Allowed Criteria:</u> <ul style="list-style-type: none"> Squeeze pouches
Infant Cereals	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Organic, any brand or type 	
Infant Fruits and Vegetables	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Organic Any brand Single 4oz containers Multi-packs of 1oz, 2oz or 4oz 	<u>Updated Not Allowed Criteria:</u> <ul style="list-style-type: none"> Squeeze pouches
Beans, Pease and Lentils	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Cans/Jars – any brand or type Fat free refried beans Randall (15-16oz jar) 	<u>Updated Not Allowed Criteria:</u> <ul style="list-style-type: none"> Added fruits, vegetables or sugars Soups
Peanut Butter	
	<u>Updated Not Allowed Criteria:</u> <ul style="list-style-type: none"> Natural Whipped
Yogurt	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> 2oz tube 8-pack (16oz total) 2oz tube 16-pack (32oz total) Activia brand multi-packs, 4oz 4-pack & 4oz 8-pack Karoun brand, 32oz LALA brand, 32oz Prairie Farms brand, 32oz 	<u>No Longer Allowed or Discontinued:</u> <ul style="list-style-type: none"> 2% yogurt (clarified criteria) Activia Fusion brand Purple Cow brand ShurFine brand Spartan brand
Soy Beverage	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Silk Original 32oz and 64oz shelf stable 	<u>No Longer Allowed or Discontinued:</u> <ul style="list-style-type: none"> Pacific Natural Foods Ultra Soy Vanilla 32oz shelf stable
64oz Juice (for Children)	
<u>Added as Allowed:</u> <ul style="list-style-type: none"> Store brand juice selection expanded and allowed brands are listed in Food Guide Juices with 80% vitamin C Welch's <ul style="list-style-type: none"> Grape with added calcium, Super Berry Mott's <ul style="list-style-type: none"> Apple, Apple White Grape, Apple Mango, Apple Cherry, Sensibles Apple Cranberry, Sensibles Apple Pineapple, Sensibles Apple Raspberry 	

3.6 WIC Food Guide Updates

<ul style="list-style-type: none"> • Northland <ul style="list-style-type: none"> ○ Blueberry Blackberry Acai, Cranberry (Traditional), Cranberry Grape, Cranberry Raspberry, Cranberry Cherry, Cranberry Blackberry, Cranberry Mango, Cranberry Pomegranate, Pomegranate Blueberry, Raspberry Blueberry • Ocean Spray <ul style="list-style-type: none"> ○ Apple, Concord Grape, Cranberry, Cranberry Blackberry, Cranberry Cherry, Cranberry Concord Grape, Cranberry Mango, Cranberry Pineapple, Cranberry Pomegranate, Cranberry Raspberry • Sesame Street <ul style="list-style-type: none"> ○ Big Bird Apple, Cookie Monster's Berry, Elmo's Punch 	
48oz or 11.5/12oz Juice (for Women)	
<p><u>Added as Allowed:</u></p> <ul style="list-style-type: none"> • Allowed store brands are now specified, other than orange and grapefruit juice • Essential Everyday <ul style="list-style-type: none"> ○ Pineapple 48oz • Freedom's Choice <ul style="list-style-type: none"> ○ Apple 48oz • Old Orchard <ul style="list-style-type: none"> ○ Any flavor (frozen) 12oz • Seneca <ul style="list-style-type: none"> ○ Apple (frozen) 12oz • Our Family <ul style="list-style-type: none"> ○ Apple Cider 48oz ○ Pineapple 48oz ○ Apple (frozen) 12oz • Kroger <ul style="list-style-type: none"> ○ Apple (frozen) 12oz ○ Grape (frozen) 12oz ○ Pineapple (frozen) 12oz ○ Pineapple Orange (frozen) 12oz 	<p><u>No Longer Allowed or Discontinued:</u></p> <ul style="list-style-type: none"> • Welch's brand frozen juice 11.5/12oz



4. Processing & Pricing WIC Transactions

4.1 Processing & Pricing Overview

The [WIC Vendor Contract](#) outlines state and federal regulations for processing WIC EBT transactions and pricing WIC food items. This includes everything from ensuring the price is displayed for all WIC-approved items, to special pricing and promotions, to troubleshooting Point-of-Sale errors. The Michigan WIC Program regularly monitors Vendors to ensure compliance with these requirements. Failure to follow these rules is a violation of the WIC Vendor Contract and may result in sanctions, as laid out in the [WIC Vendor Sanction Schedule](#). The Sanction Schedule may be found in [Section 7](#) of this Handbook and on the Program website at www.Michigan.gov/WICVendor.

In this section, we hope to clarify:

- How to conduct a WIC transaction and troubleshoot errors;
- When and how WIC Manual Vouchers are used;
- Regulations pertaining to the pricing of WIC items;
- The importance of charging competitive prices;
- What Not to Exceed (NTE) prices are and Vendors are notified if the NTE price is exceeded.
- Regulations pertaining to incentive and promotional items.

Additionally, we would like to remind Vendors of a few guidelines when dealing with WIC customers:



1. Treat all customers equally and with respect.
2. The participant must have their physical card at the time of the transaction. The card number may only be entered manually if it is not scanning.
3. NEVER ask a participant for additional forms of ID.
4. Scan ALL items. UPC sheets are not allowed.
5. Let the POS device make the determination as to whether an item is WIC authorized and/or a participant has benefits available.
6. Give the participant the opportunity to review and/or cancel the transaction before debiting the items off their WIC EBT Card.
7. Make sure to give the participant their final receipt showing the items purchased and the ending balance.

Please let the WIC Program know if you have any questions or need further clarification on any of these policies by calling the Vendor Relations Unit at (517) 335-8937 or emailing MDHHS-WICVendor@michigan.gov.

4.2 WIC at the Register

Steps for conducting a WIC transaction:

This process may vary depending on the type of register system used by a given Vendor, however, the general steps should be similar. Please make sure you and your employees are trained on how to conduct WIC transactions at your store.



1. Select WIC
2. Customer swipes Michigan WIC EBT Card
3. Customer enters PIN and presses Enter
4. Scan items to be purchased
5. Enter price total for fresh fruits and vegetables
6. Enter any available coupons
7. Customer approves transaction
8. Give customer copy of the receipt to customer

Common POS Error Messages:

When transacting WIC, you may have already encountered some of these common error messages. If an error message appears, it is the Vendor's responsibility to understand what it means and help the WIC participant, either by explaining the error or helping them get the correct item needed to finish the transaction.



- **Card Not Supported** – The participant is most likely trying to scan a SNAP EBT card instead of their WIC EBT card.
- **Not WIC Approved/Invalid WIC Item*** - The item is not on the list of WIC-approved foods. Check the Michigan WIC Food Guide for information on approved items.
- **Item Not Avail to Cardholder** – The participant was either not prescribed the item or has used all their available benefits for the month.
- **Insufficient Balance. Continue?** – The CVB price exceeds the WIC balance. Allow the participant to pay the difference using an additional form of tender (cash, credit, SNAP, etc.).

***NOTE:** If you believe that a food item is WIC-approved, but it is not scanning in your POS device, you may submit a [UPC Request Form](#) via fax to 517-335-9206. This form can be found in the Forms & Materials section at the back of this Handbook and online at www.Michigan.gov/WICVendor.

4.3 POS Quick Reference Guide

Clerk EBT Transactions

This Quick Reference Guide provides the steps to perform different WIC EBT transactions. It assumes you are already familiar with WIC policies. Refer to the WIC EBT-Only Merchant's POS Procedures Manual for more detailed instructions on these clerk transactions.

Sign on

If the terminal displays "CLOSED," you must sign on to the POS terminal to perform EBT transactions.

1. To start the sign on procedure, press **SIGN on/off**.
2. Key in your 3-digit ID number; press **ENTER**.
3. Key in your 4-digit password; press **ENTER**.
4. You are signed on when the terminal displays the WIC Purchase and WIC Balance Inquiry options.

Sign off

You must sign off the terminal if you leave the terminal for any reason. The sign off procedure closes the terminal and prevents anyone from performing transactions on that terminal.

1. To start the sign off procedure, press **SIGN on/off**.
2. To complete the process, press **F1**.

A receipt prints with a log off message and clerk totals.

WIC Balance Inquiry

This transaction prints the customer's current benefit balance.

1. To activate the **Balance Inquiry** option in the main menu, press **F3**.
2. Slide the card through the card reader slot, or enter the card number manually and press **ENTER**.
3. Ask the customer to enter his or her PIN into the terminal or handheld PIN pad and press **ENTER**.
4. Various transaction processing displays appear.
5. If the transaction is approved, a receipt is automatically generated. Give the receipt to the customer.
OR
If the transaction is declined, have the customer re-enter their PIN. If the transaction is again declined, have the customer contact WIC Customer Service.

WIC Purchase

This transaction accepts WIC benefits from customers as payment for WIC eligible items.

1. To activate the **WIC Purchase** option in the main menu, press **F2**.
2. Slide the card through the card reader slot, or enter the card number manually and press **ENTER**.

***NOTE:** If the card is entered manually, a supervisor ID and password must be entered to continue the transaction.*

3. Ask the customer to enter their PIN into the terminal or handheld PIN pad and press **ENTER**.

Various transaction processing displays appear and the WIC balance information is downloaded to the terminal.

4. To conduct a WIC transaction:
 - Use the handheld scanner to scan the bar code or manually enter the UPC of the item.
 - Enter the price of the item.
 - Press **ENTER** after each item is scanned.
 - Press **F1** when all items have been scanned.
5. If there are CVB items, enter the price and press **ENTER** after each entry. Press **F1** when all CVB items have been entered.
6. If coupons are being used enter the coupon amount and press **ENTER**.
7. Keep entering coupon amounts, pressing **ENTER** after each coupon amount.
8. Just like any other retail transaction, the coupon amount will reduce the redemption amount.
9. Press **F1** to complete the transaction.
10. A receipt will automatically print out.
11. If the transaction is approved or declined, give the customer copy of the receipt to the customer; press **ENTER** to print the merchant copy.

WIC Purchase - Cancel

This action allows for cancelation of the transaction during a purchase.

1. To cancel the transaction, press **CANCEL**.
2. To confirm the cancelation of the transaction, press **F1**.
3. To resume scanning, press **F2**.

WIC Purchase – Item Delete or Reduce Quantity

This transaction allows customers to remove or reduce the quantity of a particular product without cancelling the complete transaction.

1. To view the list of items scanned so far during the WIC purchase transaction, press **F2**.
2. To navigate between previous and next items, use **F1** and **F2**.
3. To delete the item from the scanned list, press **F3** and change the quantity to 0. Use **BACK** to clear value.
4. Navigate using function keys to delete or reduce additional items.
5. To save the changes, press **ENTER**.
6. To exit out of the screen, press **CANCEL**.

WIC Purchase – Void Last

This action allows the complete void of the last transaction.

1. To see more transaction options, press **MORE**.
2. To activate the Void Last option, press **F2**.
3. To void the transaction, press **F1**.
4. To cancel the void, press **F2**.

This action must be done prior to entering a new transaction or before the system times out.

Edit UPC List – Maintain Shelf Price

This transaction allows store management to maintain the shelf prices.

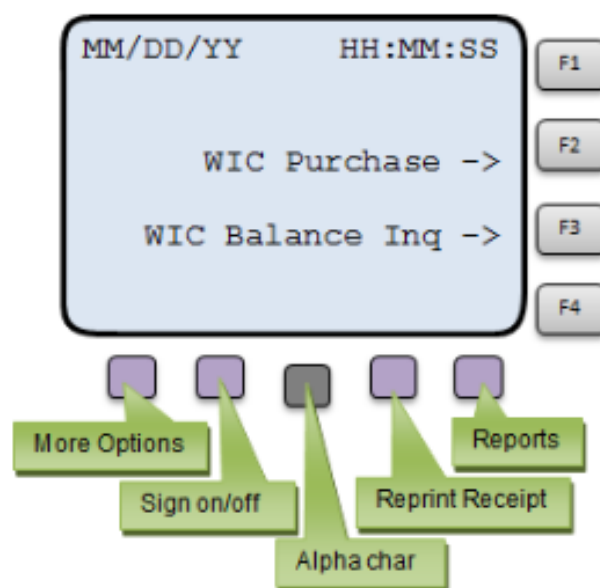
1. To see more transaction options, press **MORE**.
2. To activate the Edit UPC List option, press **F3**.
3. To navigate between previous and next items, use **F1** and **F2** keys.
4. Press **F3** to enter the new price and press **ENTER**.
5. Toggle between **F1**, **F2** and **F3** to select previous and next item and edit the price.
6. To exit, press **CANCEL**.
7. To save the changes, press **F1**.

Reprint Receipt

This transaction allows you to print the receipt for the previous transactions performed at the terminal when a receipt is damaged or does not print.

1. To start the reprinting process, press **REPRINT**.
2. To print the last receipt, press **F3**.
3. To print any other previous receipts, press **F1**.
4. Toggle between **F1**, **F2** and **F3** to select previous and next transactions and print.
5. Toggle between **F1**, **F2** and **F3** to print merchant or customer or both copies.

NOTE: *REPRINT* appears on the top of the receipt.



Clerk Report

This transaction allows you to print the clerk report.

1. To see the report options, press **REPORTS**.
2. To activate the Clerk Totals options, press **F4**.
3. Key in the Report Date; press **ENTER**.

Various processing displays appear. A receipt prints indicating the clerk total for the entered date.

4.4 Pricing WIC Foods

The pricing of WIC-approved food items is determined by federal regulations (7 CFR Part 246) and the WIC Vendor Contract. The goal of these policies is to ensure that WIC-approved items are priced clearly and reasonably.

1. Prices must be displayed on the item, shelf, container or sign.

It is violation of the WIC Vendor Contract if a Vendor does not show the price of a WIC-approved item. WIC participants have the right to see what they are being charged for an item before making the purchase with their WIC benefits. Additionally, Vendors must charge the WIC Program the same price for an item as they charge any other cash paying customer.

It does not matter if the product is a box of cereal, a 64 oz bottle of juice or a can of infant formula powder. Each individual item must be priced, or the price must be displayed near the item on a sign or shelf. Even if for security purposes infant formula is stored in another location, for example behind the counter, the amount being charged for the formula must be visible to the WIC participant, either by displaying the price on a sign or by pricing each individual item.

2. Prices must be competitive.

Per the WIC Vendor Contract and WIC Vendor Selection Criteria, all WIC Vendors are required to maintain competitive prices for WIC authorized foods. The WIC Program operates on limited funds from the federal government and must contain costs to serve as many WIC participants as possible. To do so, the Michigan WIC Program:

1. sets **Not-To-Exceed (NTE)**, or maximum reimbursements for each UPC by Vendor **peer group** (discussed in [Section 4.5](#)); and
2. monitors Vendor prices to ensure Vendors are not requesting reimbursement amounts that significantly surpass what they paid for the items and what other Vendors in their peer group are charging.

Please see the following page for a more in-depth explanation of peer groups and Not-To-Exceed prices.



4.5 Peer Groups & NTEs

Vendor Peer Groups

At authorization, each Vendor is assigned to a Vendor peer group. Peer groups are groupings of similar stores based on chain status, store type and the number of registers. By grouping Vendors into peer groups, the Michigan WIC Program can easily compare characteristics, like WIC redemption volume and requested price, of similar stores. Peer groups are also an important tool for determining the Not-To-Exceed (NTE) prices (explanation below) for reimbursement for each WIC-approved UPC.

If you would like to know your peer group, please contact the Vendor Relations Unit at MDHHS-WICVendor@michigan.gov or 517-335-8937.

Not-To-Exceed Prices (NTE)

The WIC Program limits the amount that is reimbursed for each UPC code. This is called the **NTE** (also known as max price). The max price is calculated for all WIC-approved UPCs based on the statewide average price requested for each item, plus a peer group-specific standard deviation.

At the conclusion of a transaction, the point-of-sale (POS) device compares the scanned price to the NTE. If the scanned price exceeds the NTE, this difference will be noted on the sales receipt (as shown on the right), which signifies the Vendor will not be reimbursed the full requested amount for that item and will only be paid the amount indicated on the receipt.

Pursuing Reimbursement

If a Vendor wishes to pursue the difference between the scanned price and the NTE reimbursed, the Vendor may submit a **written appeal** with detailed justification, along with a copy of the receipts and purchase records, to the following address:

WIC Vendor Section
Elliott-Larsen Building
320 S. Walnut St.
Lansing, MI 48913

Or email to:
MDHHS-
WICVendor@michigan.gov

Or fax information
to: **517-335-9514**

YOUR STORE NAME			
1234 ANY STREET ADDRESS			
YOUR TOWN, STATE, ZIP CODE			
TERMINAL ID:	WICW006		
MERCHANT TERM ID:	WICW006001		
CHECKER ID:	123		
DATE & TIME:	09/17/20XX 10:30 AM		
SEQUENCE NUMBER:	038		
CARD:	*****0007		
AUTH CODE:	123500		
WIC PURCHASE			
QTY	UNITS	DESCRIPTION	PRICE
12.00	OZ	Crispy Rice	
	1.00 @	\$3.99	3.99
1.00	CON	Canned Beans	
	1.00 @	\$2.35	2.35
	NTE	1.00 @	\$1.68
			0.67 -
1.00	CAN	SimSensitive12pwd	
	1.00 @	\$18.69	18.69
	NTE	1.00 @	\$10.00
			8.69 -
0.50	GAL	1% Milk	
	1.00 @	\$4.49	4.49
1.00	CON	Juice - Calcium Fortifie	
	1.00 @	\$5.99	5.99
	NTE	1.00 @	\$4.99
			1.00 -
7.00	\$\$\$	Fruits and Vegetables	
	7.00 @	\$1.00	7.00
PURCHASE SUBTOTAL			42.51
DISCOUNTS APPLIED			0.00
PURCHASE TOTAL			42.51
NTE ADJUSTMENT			10.36
PAYMENT TO MERCHANT			32.15
BALANCE DUE/OTHER TENDER			-\$ 0.00
**** MERCHANT COPY ****			
****PLEASE SAVE THIS RECEIPT****			

Call the WIC Program Integrity Unit at 517-335-8899 with questions.

4.6 Promotions & Incentives

1. Special item pricing/promotional discounts must be available to ALL customers.

Special item pricing and/or promotional discounts available to store customers must also be available to WIC participants. Additionally, no promotions must be made specifically towards WIC participants. Promotions must be made for all customers. All Vendors must ensure that the Michigan WIC Program does not pay more for the redeemed product than the typical store customer in accordance with the WIC Vendor Contract. This includes **item pricing, manufacturer coupons, loyalty cards and promotional discounts**. Failure to provide the same courtesies to WIC participants is a violation of the WIC Vendor Contract.

2. Incentive items must be offered to ALL customers.

Incentive items must be available to all customers, including WIC participants. However, incentive items not listed in this section as allowable incentives are limited to a maximum value of \$2.00, thus formula and diapers are not allowed.

The following are **allowable incentives** that are exceptions to the \$2.00 limit. The exceptions listed here must be provided at no cost to the WIC Program, and are subject to documentation and verification upon request:

- Discounts applied directly to the total transaction amount being charged to the WIC Program;
- Loyalty programs or clubs requiring participant enrollment or documented membership;
 - Membership to the program or club must include proof of enrollment or some form of membership identifier issued to the member at the time of enrollment.
 - The program or club must meet all applicable state and federal regulations.
- Manufacturers' coupons;
- Free ounces added to food item by manufacturer (bonus size items);
- Buy one, get one (BOGO) – the sale of one WIC food item as part of a normal WIC transaction and the provision of an additional item at no added cost, or a second item at a reduced price. **Infant formula may not be included as any part of a BOGO.**

Additional items that are NOT allowed under any circumstances include:

- Cash or cash equivalent (debit cards, gift cards, phone or gas cards, etc.)
- Lottery
- Alcohol
- Tobacco





5. Vendor Responsibilities

5.1 Vendor Responsibilities Overview

Authorized WIC Vendors must adhere to a set of responsibilities, as outlined in the [WIC Vendor Contract](#) in Section IV of this Handbook. Failure to follow WIC Program requirements may lead to sanctions, including the accumulation of points, fines, and even the termination and/or disqualification of your store.

Responsibilities Vendor's must understand by the end of this section include:

- WIC Vendor Contract requirements during a change of ownership and/or business structure;
- Michigan WIC's formula purchase requirements;
- Record keeping requirements, including the time frame for which Vendors must maintain records and the technical requirements for records;
- The purpose and mandatory frequency of WIC Vendor trainings; and
- The importance of reading the Quarterly Vendor Newsletter.

Please reference the WIC Vendor Contract for a full list of Vendor Responsibilities and, as always, feel free to contact the Vendor Relations Unit with any questions at (517) 335-8937 or by email at MDHHS-WICVendor@michigan.gov.



5.2 Change of Ownership or Business Structure

Vendors must report ALL changes of business structure to the Michigan WIC Program in writing immediately. This includes changes in business entity ownership, shareholders, WIC Vendor location, and/or operations.

Failure to provide notification immediately may result in the **termination** of the WIC Vendor Contract, **disqualification** from WIC Program participation and/or denial of future authorization.

Can a WIC Vendor Contract be transferred?

No, the WIC Vendor Contract IS NOT transferable to another Vendor or business entity. A store with new ownership CANNOT redeem WIC benefits under another Vendor's authorized WIC Vendor Contract and POS equipment. These are violations of the WIC Vendor Contract and may result in a monetary claim and/or disqualification from participation in the WIC Program.



The new owner/entity must reapply for a new WIC Vendor Contract. If the old owner was an authorized WIC Vendor, this does not guarantee that the new owner will be granted a Contract. However, the earlier the WIC Program is notified of the change, the smoother the transition process.

What changes do I have to report?

- New sole owner, partner, or corporate officers
- Changes to existing corporate owners/officers
- Purchase of a corporation or LLC
- Incorporation
- Change in SNAP authorization
- Change in trade name or corporate name
- Change in Federal Employer ID Number (FEIN)
- Changes to business email/contact info
- Change in store location/address
- Change in corporate location
- Change in store hours of operation
- Exception circumstances (e.g. death of an owner, or a store closing due to damage)

Who should I contact?

Contact the WIC Vendor Relations Unit with questions regarding any changes to store ownership and/or status at 517-335-8937 or by email at MDHHS-WICVendor@michigan.gov.

5.3 Formula Purchase Requirements

To ensure formula has been packaged, shipped, and stored under the required conditions, the Michigan WIC Program mandates all authorized WIC Vendors purchase infant formula from:

- Wholesalers, distributors, and retailers **licensed** by the Michigan Department of Agriculture and Rural Development (MDARD);
- Pharmacies licensed by Michigan Licensing and Regulatory Affairs (LARA);
- Infant formula manufacturers registered with the Food and Drug Administration (FDA).



Find a licensed Michigan Business using MDARD's citizen portal:

<https://aca-prod.accela.com/MDARD/Default.aspx>

- Phone: 1 (800) 292-3939
- Email: mda-info@michigan.gov

Find a licensed Pharmacy using LARA's citizen portal:

<https://aca-prod.accela.com/LARA/Default.aspx>

- Phone: (517) 241-0199
- Email: bp11help@michigan.gov

For a list of **FDA-licensed formula manufacturers**, visit www.Michigan.gov/WICVendor.

Vendors unable to confirm licensure status or with questions regarding this requirement may email the Vendor Relations Unit at MDHHS-WICVendor@michigan.gov or call at **(517) 335-8937**. This line is staffed from 8am-5pm Monday through Friday.



NOTE: WIC Vendors must also have an up-to-date food license with MDARD in order to be eligible for participation in the WIC Program. This license expires on **April 30th** of each year and must be renewed on a yearly basis. Pharmacy Vendors must be licensed with LARA.

5.4 Record Keeping

Authorized WIC Vendors **MUST** maintain purchase and inventory records for a minimum of **3 years** as a condition of participation in the WIC Program. These records must be made available to the Department of Health & Human Services upon request. The state reserves the right to review Vendor inventory records to verify compliance with WIC Program regulations. Failure to maintain records may result in a monetary claim, termination of the WIC Vendor Contract, and/or disqualification from the WIC Program.

What information do invoices need to include?

Per **Section V** of the [WIC Vendor Contract](#), receipts/purchase records should reflect the following:

- Name and address of the supplier or wholesaler
- Date of purchase (must be machine dated – handwritten dates not accepted)
- Description and/or computer codes of exact items purchased (e.g., 12 oz. Total cereal)
- Unit price of the item(s)
- Total quantity purchased
- Form of payment
- Invoice numbers if the record is from a wholesaler

Reminder: Vendors must only purchase infant formula from wholesalers, distributors, and retailers licensed by the Michigan Department of Agriculture and Rural Development (MDARD), from pharmacies licensed by the Michigan Licensing and Regulatory Affairs (LARA), or from infant formula manufacturers registered with the Food and Drug Administration (FDA).

Unacceptable forms of purchase and inventory records include:

- Handwritten receipts;
- Receipts which do not adequately describe the items purchased;
- Affidavits, Statements of Facts and oral statements are not acceptable evidence of inventory.

How should I submit my records?



When purchase records/receipts/invoices are requested from the WIC Program Office, **DO NOT** send in original receipts. Please only send copies of legible records that are unaltered and include the entire receipt. The Program Integrity Unit also asks that you organize your records in chronological order by date of purchase and refrain from highlighting, marking or modifying any purchase records.

Please email the Program Integrity Unit at MDHHS-WICProgramIntegrity@michigan.gov or call at 517-335-8899 with any questions.

5.5 Vendor Training

What is the purpose of Vendor training?

Vendor training ensures authorized WIC Vendors have a clear understanding of the rules and regulations of the Michigan WIC Program as mandated by the Federal Regulations and Michigan WIC State Plan. Vendor training is designed to improve program service and prevent program errors and abuse.

As per the [WIC Vendor Contract](#), a store representative, such as the owner, manager, head cashier, and/or bookkeeper, must participate in an interactive training once per 3 year period. The representative is responsible for training any staff members who do not attend training.

When are Vendors trained?

- During the pre-authorization site visit;
- Once every contract cycle (3 yrs.);
- At the annual WIC Vendor Conference;
- A problem is identified;
- There is a change in management/staff; and/or
- A Vendor requests assistance.



What topics are covered during routine trainings?

- | | |
|-------------------------------|--|
| • Purpose of the WIC Program | • Formula purchase requirements |
| • Vendor contracting | • Vendor monitoring and training |
| • WIC-approved foods | • Access to WIC records |
| • Minimum stock requirements | • Sanction Schedule and appeal process |
| • Processing WIC transactions | • Complaint process |
| • Competitive prices | • Outreach and marketing |
| • Appealing a reduced payment | • Program changes |

The Michigan WIC Program hosts **online training webcasts**! Online trainings allow state WIC staff to provide **convenient, consistent, and comprehensive** information to Vendors across the state simultaneously. WIC Vendors may now fulfill their mandatory training requirements remotely. We hope you enjoy this training platform!

If your store requires a training, you will receive an [invitation via email](#). If you or your employees would like to attend trainings more frequently, check the trainings section of Michigan.gov/WICVendor. You may also email the Vendor Relations Unit at MDHHS-WICVendor@michigan.gov or call at 517-335-8937 for upcoming webcast dates and registration information.

5.6 Quarterly Vendor Newsletter

What is the Vendor Newsletter?

The WIC Vendor Newsletter is a quarterly publication created by the Vendor Relations and Program Integrity Units for authorized WIC Vendors, WIC Local Agencies and other Program stakeholders.

What information does the Newsletter include?

The Newsletter includes updates and clarifications to:

- Michigan WIC Food Guide
- Minimum Stock Requirements
- WIC Vendor Policies
- Upcoming events and initiatives

This information should be reviewed immediately and shared with all store employees that handle WIC transactions. If clarification on the information in the Vendor Newsletter is needed, please contact the WIC Vendor Relations Unit for guidance. As a suggestion, please keep past copies of the Newsletters with this Vendor Handbook for future reference and review.



How is the Newsletter distributed?

The newsletter, along with other Vendor communications, will be sent to you via email, so please be sure to check your email on a regular basis. Failure to do so will not be accepted as an excuse for not understanding program policies or failure to provide required documentation in a timely manner. All previous newsletters are also posted on our website at www.michigan.gov/WICVendor.

Please contact the **Vendor Relations Unit** at 517-335-8937 or via email at MDHHS-WICVendor@michigan.gov if you need to update your contact information and/or email address.

Can I suggest topics for inclusion in the newsletter?

Yes! If you had a topic relevant to WIC Vendors or a policy you are confused about, please let the Vendor Relations Unit know and we would be happy to include an article about the topic/question in our next newsletter.



6. Contract Compliance

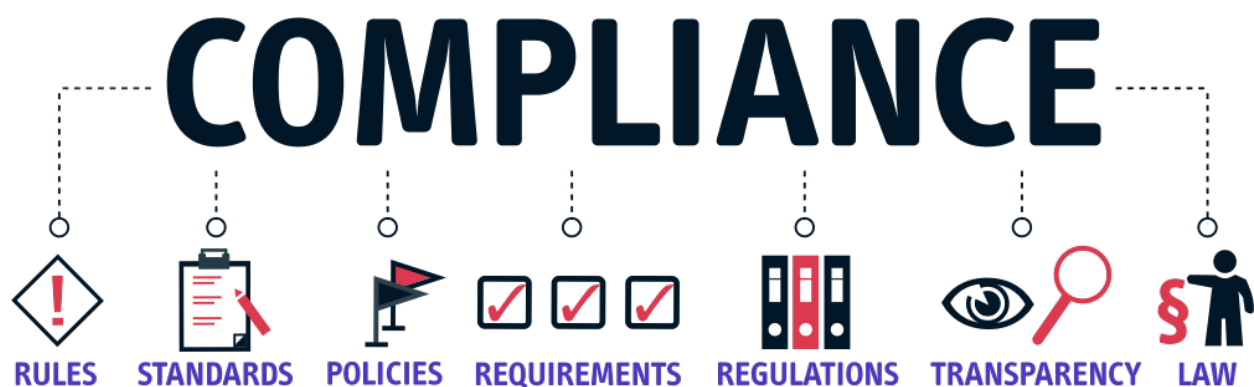
6.1 Compliance Overview

The Michigan WIC Program is funded by tax-payer dollars. As such, ensuring Vendors adhere to both the Federal Regulations and Michigan WIC State Policy is important to the sustainability of the Program. The Department utilizes system-generated statistically based reports that identify high-risk Vendors, complaints, referrals from field staff, information from other federal, state and local agencies and other sources to schedule compliance investigations.

Monitoring activities and compliance investigations conducted by the Vendor Relations and Program Integrity Units include in-store monitoring, undercover compliance buys, and inventory audits. Please note, compliance with the WIC Vendor Contract is required in order to be eligible for continued participation in the WIC Program and renewal of the WIC Vendor Contract.

Compliance themes to be addressed in this section include:

- What to expect during an in-store monitoring visit;
- The purpose of undercover compliance buys;
- How to respond to an audit request;
- An overview of the WIC quarterly volume Selection Criteria requirement;
- What happens to Vendors who transact over 50% of their sales in WIC; and
- A guide to some common mistakes and violations to avoid.



6.2 Vendor Monitoring

What is Vendor Monitoring?

As mandated by Federal Regulations and the Michigan WIC State Plan, WIC Vendors are visited by Vendor Analysts to verify compliance with Contract requirements, ensure participants can redeem their benefits, and provide additional training. These monitoring visits are unannounced, and the outcome of the visit is documented on the [Monitoring Visit Report](#). A copy of the Monitoring Visit Report can be found in the back of this Handbook under Useful Forms & Materials and on our website at www.Michigan.gov/WICVendor.

NOTE: It is a violation of the WIC Vendor Contract to refuse entrance to a WIC Vendor Analyst or to hinder their ability to monitor a store.

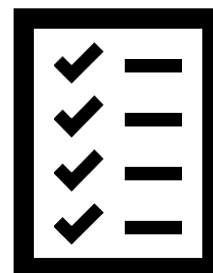
When are Vendors monitored?

All new Vendors are automatically monitored. The Department also conducts routine monitoring visits and monitoring visits in response to a store's negative compliance history, complaints, and/or high-risk indicators.

What should a Vendor expect during a Monitoring Visit?

On arrival at a Vendor location, the Vendor Analyst will:

- Announce their presence and request to speak with the store owner, manager, or other representative.
- Verify the Vendor has a current MDARD food license.
- Make sure that the minimum stock requirements are met, prices are displayed, and that there are no expired foods available for sale.
- Scan items with the Point-of-Sale equipment to ensure shelf pricing matches the price charged to the WIC program for redemption.
- Give additional training, as needed, to ensure grasp of program requirements.
- Respond to claims of abuse from Vendors, participants, or other sources.
- Review the completed Monitoring Visit Report with the store representative. This allows the Vendor the opportunity to respond to any documented violations.
- Request the Vendor's signature.



What happens if a Vendor receives violations?

The first time a Vendor receives a violation it is sent a **warning letter**. If the same violation is documented in subsequent monitoring visits, the Vendor will receive a **Notice of Violation Points**. A follow up visit will then be scheduled to ensure that violations from previous monitoring visits have been corrected. The Department will continue to monitor a Vendor until it consistently meets Contract requirements. If a Vendor reaches **35 violation points**, it may be subject to termination and/or disqualification. Points may be carried over multiple contract cycles.

6.3 Inventory Audits

What is an Inventory Audit?

Inventory audits are a type of compliance investigation required by the Federal Regulations and are conducted to **verify** that authorized WIC Vendors are:

- Only purchasing WIC-approved items from acceptable sources including the following:
 - Retailer or wholesaler licensed by Michigan Department of Agriculture and Rural Development (MDARD)
 - pharmacy licensed by Michigan's Licensing and Regulatory Affairs (LARA)
 - manufacturer registered with the Food and Drug Administration (FDA);
- Maintaining required purchase records for a period of **3 years**;
 - Please refer to Section 5.4 of the Handbook and **Section IV** of the WIC Vendor Contract for information regarding record technical requirements;
- Providing these purchase records within the timeframe requested by the Michigan WIC Program.

What should a Vendor expect if audited?

During an inventory audit, the Vendor will receive a written request for legible copies of purchase records for specific WIC-approved **food items** over a **specified period** ranging from 6 months to 3 years. The Vendor will have **21 days** to submit the requested records. Records must be submitted with the Invoice Summary Sheet with records organized in chronological order. Upon receipt, the WIC Program will compare the Vendor's WIC sales to its purchase records to ensure the Vendor has sufficient purchase records to account for its WIC sales.

If the Vendor submits sufficient records, no further action will be taken.

What happens if a Vendor does not have/cannot find all of its records?

If the Vendor does not submit sufficient records, the WIC Program may expand the scope and time for the audit. Once the WIC Program completes its review, it will determine whether there is a discrepancy and, if so, issue a **monetary claim** in the full amount of the WIC foods for which the Vendor claimed reimbursement but does not have inventory records for. The Vendor will then be given a final opportunity to submit additional records to account for its WIC sales.

If the Vendor is unable to submit sufficient records after receiving this final opportunity, a **monetary claim** will be issued, the WIC Vendor Contract will be **terminated**, and the Vendor will be **disqualified** from the WIC Program. The Vendor may also be terminated from SNAP as a result.



6.4 Compliance Buys

During a compliance buy, an undercover shopper redeems WIC EBT benefits at an authorized WIC Vendor to ensure the store is not redeeming unauthorized items for or trafficking in WIC benefits. Multiple compliance buys may be conducted at the same store during a single investigation case.

The Department will utilize the appropriate WIC staff to conduct compliance buys. As needed, the Department will also contract with a private investigation company, or other entities, to conduct compliance buys according to the procedures found in its contract with the Department; additional written procedures from the Department; and training (including on-site training) provided by the Vendor Management and Program Integrity Section.



When violations are found during a compliance buy, the Vendor will receive a written notice of violation. Violations may result in the accumulation of violation points, termination of the WIC Vendor Contract and/or disqualification from the WIC Program. The type and severity of adverse action taken by the Michigan WIC Program is determined by the [WIC Vendor Sanction Schedule](#) and Federal Regulations.

6.5 Low Volume Vendors

The Michigan WIC Program is committed to partnering with grocery stores to improve access to wholesome foods for eligible women, infants and children. To continually improve the selection and quality of WIC-approved food items available to WIC Participants, the Michigan WIC Program has revised the existing Low Volume Selection Criteria to be applied to all authorized WIC Vendors as follows:



Minimum required volume of WIC transactions. A Vendor that transacts less than \$1,200 in WIC EBT transactions per fiscal quarter will be considered a low volume Vendor and may indicate lack of demand for that particular store.

Vendors will receive a warning the first quarter they are found out compliance with this requirement. If not in compliance with the requirement following a 6 month evaluation [that is 3 months after receiving the initial warning], the Vendor will be terminated and disqualified. New Vendors will be evaluated after the first full fiscal quarter of authorization. [Vendor Policy 2.02](#) (A)(3)(b)(v)

NOTE: Exceptions may be made, at the discretion of the Michigan WIC Program, when termination of a WIC Vendor would result in inadequate participant access.

As a reminder, WIC authorized Vendors must comply with the [WIC Vendor Selection Criteria](#) throughout the contract period ([WIC Vendor Contract](#), Section IX). All new Contracts signed by the Michigan WIC Program after **January 2018** will be subject to the revised Selection Criteria as outlined. The full list of Selection Criteria can be found in Section 2: Vendor Contracting and on our website at www.Michigan.gov/WICVendor.



HELPFUL HINT: Advertising your WIC Vendor status, clearly labeling WIC approved items, and improving the customer shopping experience can all help increase your WIC, and overall, food sales. See Section 8 for WIC approved advertising materials.

6.6 Above 50% Vendors



An above 50 percent, or “A-50” Vendor, is an authorized WIC Vendor that derives more than 50 percent of its Annual Food Sales revenue from WIC food redemptions. A-50 Vendors also include new Vendor applicants who are expected to meet this criterion based on projected sales.

Food sales (further explained below) are defined as “the sales of all SNAP eligible foods intended for home preparation and consumption.” Please note that infant formula is included in food sales.

Does Michigan authorization A-50 stores?

No, currently Michigan does not authorize A-50 Vendors. WIC Vendor Selection Criteria, Item (a)(vii) states:

A Vendor’s total WIC sales for any annual period cannot exceed 50% of the Vendor’s total annual food sales.

How does the Food and Nutrition Service determine A-50 status?

Federal regulations require states that operate a retail food delivery system to evaluate Vendors at the time of authorization and then each year to determine if the Vendor should be designated as an A-50 Vendor or regular Vendor.

All authorized Vendors must maintain a record of all documented Food Sales for a period of 3 years and must provide this information for evaluation purposes upon request. A documented Food Sales amount is an amount that is supported by written sales or financial statements, reports, tax forms, or other records sufficient for establishing eligible Food Sales.

The Michigan WIC Program may request documents supporting a Vendor’s Food Sales to validate that 50% of its Gross Food Sales are not from WIC transactions.

What is meant by ‘Annual Gross Food Sales?’

Annual Gross Food Sales include the total dollar amount of **all food products** a Vendor sold including but not limited to WIC approved food, food sales under the SNAP program, and all other food sales. This would include food items not authorized under WIC, e.g. meat, prepared foods, canned goods, packaged food, frozen food, deli products, etc.

Annual Gross Food Sales **does not** include the dollar amount of sales of non-food items such as liquor, tobacco, lottery, paper products, apparel, equipment rental, general merchandise, etc.

7. Complaints, Violations & Sanctions

7.1 Violations Overview

This section of the Vendor Handbook explores what happens when a Vendor violates the [WIC Vendor Contract](#). We explain how to file complaints against bad actors, outline the [WIC Vendor Sanction Schedule](#), and review Vendor rights in the face of adverse action.

Please keep in mind that many WIC Program violations are avoidable, so ensuring familiarity with the Vendor responsibilities detailed in the WIC Vendor Contract and Section 5 of this Handbook is the best way for Vendors to stay in compliance with Program policies and avoid being subjected to adverse action by the Department.

By the end of this section, Vendors should understand:

- How to report a complaint or suspected fraud/abuse;
- The consequences (i.e. sanctions) for violating the terms of the WIC Vendor Contract;
- Examples of common Contract violations;
- Vendor rights during adverse action proceedings; and
- The types of Departmental actions that are and are not appealable.



Please reference the [WIC Vendor Sanction Schedule](#) and the MI-WIC Vendor Policy for [Administrative Reviews](#) and [Administrative Hearings](#), found later in this Section and on our website at www.Michigan.gov/WICVendor, for more information.

7.2 Reporting Complaints and Suspected Fraud & Abuse

It is very important that authorized WIC Vendors and WIC participants understand and follow the rules and regulations of the WIC Program. Participants and authorized WIC Vendors who violate Program rules and regulations may lose eligibility and be **terminated and/or disqualified** from the Program.

What are examples of fraud and abuse?

- Redeeming WIC benefits for non-WIC items, such as alcohol, tobacco, lotto;
- Issuing rain checks;
- Running promotions not in-line with WIC Program policy (see Section 4.7); and
- Selling and buying food benefits (i.e. trafficking).

How can a Vendor report a complaint or suspected fraud or abuse?



For general complaints:

- Fill out and fax the [Vendor Complaint Form](#), found online at www.Michigan.gov/WICVendor and in Section 8 at the back of this Handbook, to **517-335-9514**.

Provide as much detailed information as possible:



- Nature of the suspected fraud/abuse;
- WIC Vendor Name;
- WIC Participant name/ID number;
- Date and approximate time of occurrence;
- Include receipts, photographs of items, and POS error messages, if applicable.



Report suspected fraud or abuse to:

- Call: 1-800-Call-WIC
- Email: wicfraudinvestigations@michigan.gov

How does the WIC Program respond to complaints?

For general issues, a state administrator will follow-up with the goal of resolving the issue. For Vendor complaints, the WIC Program may conduct an on-site monitoring visit or a compliance investigation. Depending on the violation, adverse action may also be taken.

7.3 Common Contract Violations

The following are examples of violations of the [WIC Vendor Contract](#). Often, these violations and others are avoidable, so being aware of common pitfalls may help Vendors take the necessary steps to ensure they maintain compliance with the Contract.

1. **Not meeting minimum stock requirements** – Vendors should know the Minimum Stock Requirements and have a plan in place to stock the shelves in between the regular delivery/restocking schedule if their inventory runs low.
2. **Point-of-Sale (POS) Price Discrepancies** – If the price of a WIC-approved food item changes or goes on sale, ensure that Vendor staff know to update the prices both on the shelves/items and within the POS device/register.
3. **Display correct prices** – All WIC-approved items must have the correct prices displayed on the package, container, shelf, and/or sign. This includes price changes due to temporary sales and promotions.
4. **Multiple Stores Utilizing the Same Vendor ID** – If an authorized Vendor owns multiple store locations, it must ensure that each WIC-authorized store is transacting under its own personal WIC Vendor ID.

In accordance with the [WIC Vendor Sanction Schedule](#), Contract violations like the ones above subject Vendors to sanctions such as **termination** of their WIC Vendor Contract, **disqualification** from WIC Program participation, and/or **Civil Money Penalties**. It is in the best interest of Vendors and participants to stay in compliance.

If Vendors succeed, WIC Participants win!



7.4 WIC Vendor Sanction Schedule



WIC Vendors and their staff must understand and follow the rules and regulations of the WIC Program per the [Federal Regulations](#), Michigan WIC State Plan and [WIC Vendor Contract](#), found in Section 2 of this Handbook and on our website at www.Michigan.gov/WICVendor.

The consequences, or sanctions, of not maintaining compliance with the WIC Vendor Contract are outlined in the [WIC Vendor Sanction Schedule](#), which is written in accordance with the Federal Regulations and approved by the United States Department of Agriculture (**USDA**) yearly. The document is broken into Departmental Sanctions and Mandatory Federal Sanctions, based on the severity of the violation.

Sanctions include, but are not limited to:

- Warning letters;
- The accumulation of violation points;
- Fines and/or civil money penalties;
- Termination of the WIC Vendor Contract; and/or
- Disqualification from WIC Program participation.

Fines and/or **civil money penalties** (CMPs), which are calculated according to a formula in the Federal Regulations, may be issued in lieu of termination based on participant accessibility.

In addition, violations of WIC Program regulations can lead to loss of authorization in the Supplemental Nutrition Assistance Program (**SNAP**) – previously known as the Food Stamp Program.

Please see the following pages for a copy of the [WIC Vendor Sanction Schedule](#).



WIC VENDOR SANCTION SCHEDULE

USDA Federal Regulations and Michigan Department of Health and Human Services (the Department) WIC Vendor policy require the sanctioning of authorized WIC Vendors determined to have violated Program rules and procedures, engaged in abusive WIC food benefit redemption practices, and/or fraudulently obtained Program funds.

It is the responsibility of the WIC Division, Vendor Relations and Program Integrity Section, to determine the need for and application of appropriate WIC Vendor Sanctions.

Vendor sanctions assigned in the preceding contract period may impact Vendor qualification for subsequent authorization. Violations which occurred during the previous contract period may also be carried over and used as a basis for termination and/or disqualification or other sanctions under any subsequent WIC Vendor Contracts in accordance with this policy.

The Department may apply a variety of sanctions to Vendors found to be violating Program requirements. Sanctions may include monetary claims, fines, termination of a WIC Vendor Contract, or termination and disqualification of a Vendor from the Program, and denial of an application for a WIC Vendor Contract. In the Department's sole and exclusive discretion, a Vendor may be given an opportunity to pay a Monetary Claim, pay a Civil Money Penalty and/or enter into a Corrective Action Plan (CAP) in lieu of termination of contract or termination and disqualification. The Department may refer authorized WIC Vendors who commit fraud or abuse to Federal, State or Local authorities for prosecution under applicable statutes. These sanctions may be applied singly or in combination of two or more sanctions.

The Department may sanction a Vendor for a combination of violations or any other violations of the terms of the WIC Vendor Contract, WIC Pharmacy Contract, State/Federal Regulations, State Plan of Program Operations and Administration and/or other applicable rules and regulations.

As referenced in this document, *WIC benefits* are defined as electronic benefits that can be used to purchase WIC-approved food items from authorized WIC Vendors using a WIC electronic benefit transfer (EBT) card.

I. ADMINISTRATIVE AND PROCEDURAL VIOLATIONS

NOTICE OF VIOLATION

Violation points are assigned based on the violation(s) identified during compliance investigations and/or monitoring visits. The Department will issue the Vendor a written warning after the first documented incident of a specific violation. After a Vendor receives a warning for that violation, the Vendor may be assigned the corresponding number of violation points for subsequent documented incidents. Food quality issues may be referred to the Michigan Department of Agriculture & Rural Development (MDARD). Failure or delay in providing written notification of violation points assigned shall not be a basis to contest the validity of a documented violation.

Under this section, Vendors who accumulate 35 or more violation points may be subject to termination of their WIC Vendor Contract and a one-year period of disqualification. Sanction points assigned during a contract period may be carried over to the next contract period (see Section XXII of the WIC Vendor Contract). Violation points accumulated under this section may also be used in determining a Vendor's qualification for reauthorization as a WIC Vendor.

Under this section, Vendors may be assigned violation points as specified below for the following violations:

<u>VIOLATION</u>	<u>POINTS ASSESSED</u> <u>(For 2nd and</u> <u>subsequent violations)</u>
1. Inadequate stock:	
a. Insufficient quantities to meet minimum stock.	3 points/food group up to a maximum of 15 points per visit
b. No stock.	5 points/food group up to a maximum of 30 points per visit
2. Failure to show the price of on the item, container, shelf or sign for a WIC-approved item available for sale.	3 points/food group up to a maximum of 15 points per visit
3. Price loaded in the Point-of-Sale (POS) device is greater than the price marked on the item, container, shelf or sign; or prices not loaded in the POS device for a WIC-approved food available for sale.	3 points/food group up to a maximum of 15 points per visit
4. Offering for sale WIC-approved foods that are spoiled, damaged, or past the dates marked on the item (i.e., “best by,” “expiration,” or “best before” date). All WIC-approved food that is on a shelf and/or accessible to a customer will be considered a WIC-approved food available for sale.	3 points/visit (violations are referred to MDARD)
5. Advertising a non-WIC food item as a WIC-approved food item or other improper use of the WIC logo or acronym.	3 points/visit
6. Requiring WIC participants to show identification other than their Michigan WIC EBT Bridge Card.	10 points
7. Requiring other cash purchases or a minimum purchase as a condition to use WIC benefits.	10 points
8. Designating ‘WIC EBT only’ checkout lanes where no other forms of tender are accepted; or, failure to have at least one WIC EBT equipped lane functional and accessible at all times; or, failing to comply with WIC EBT minimum lane coverage provisions.	5 points
9. Limiting WIC participants in their choices of WIC-approved foods (e.g., requiring WIC participants to purchase a single brand when other WIC-approved brands are available).	10 points

<u>VIOLATION</u>	<u>POINTS ASSESSED</u> <u>(For 2nd and</u> <u>subsequent violations)</u>
10. Failure to allow, or requiring, the purchase of up to the full quantity of WIC-approved foods on the participant's shopping list, if such foods are available and requested by the WIC participant. This includes refusal to split cases.	10 points
11. Failure to comply with WIC-approved formula ordering requirements for Pharmacy Vendors (Grocery with Pharmacy; Stand-alone Pharmacy).	
a. Failure or refusal to order WIC-approved formula within 24 hours of a request by a WIC client or WIC staff member.	5 points
b. Failure to make formula available for pick-up by a WIC participant within 2 business days of placing the order.	5 points
12. Failure to properly process WIC EBT transactions in accordance with WIC Program requirements and EBT operating rules, standards and technical requirements.	5 points
13. Not allowing sales promotions, such as cents off coupons, and/or not honoring any and all manufacturer's promotional specials to WIC participants, but offered to other customers.	5 points
14. Providing incentive items or other free merchandise to only WIC participants and not offered to any other customers.	10 points
15. Failure to extend to WIC participants the same courtesy offered to other customers.	5 points
16. Issuing credit, 'rain checks,' due bills or other similar receipts for WIC-approved foods not obtained at the time of the transaction.	10 points
17. Contacting WIC participants in an attempt to recoup funds for food benefits not paid by WIC.	5 points
18. Failure to provide access to WIC records or providing false information during an on-site visit; or as requested by the WIC Program.	5 points
19. Conducting WIC business in a way that is contrary to the health, welfare, and safety of WIC participants; or, discriminating against WIC participants on the basis of race, color, national origin, sex, age, or disability.	10 points

<u>VIOLATION</u>	<u>POINTS ASSESSED</u> <u>(For 2nd and</u> <u>subsequent violations)</u>
20. Improper use of cash-value benefits (CVBs):	
a. Not allowing a split-tender transaction whereby a WIC participant is allowed to pay a remaining balance on a fruit and vegetable (CVB) transaction with another form of tender. Fruits and vegetables are the <u>only</u> WIC-approved items that a Vendor may ask a participant to pay the difference for with another form of tender.	5 points
b. Exchanging CVBs for items other than WIC-approved fruits and vegetables; or, using the incorrect PLU to transact CVBs.	5 points
21. Failure to inform, train and update cashiers and other staff on WIC Program requirements and procedures; or failure to maintain records of such internal trainings.	10 points
22. Failure to keep a valid email address, phone number and mailing address on file with the Department.	5 points
23. Allowing unauthorized return or exchange of WIC-approved foods; or failure to allow the exchange of defective, spoiled or expired food items purchased with WIC benefits.	5 points
24. Entering a cardholder's PIN and/or not allowing the cardholder to enter his/her own PIN.	10 points
25. Failure to scan or manually enter the actual UPC code affixed to the item being purchased with WIC benefits; or, scanning or entering a UPC code that is not affixed to the actual item being purchased, or is a replacement for the item being purchased with WIC benefits.	10 points

II. **STATE AGENCY SANCTIONS**

For violations of numbers 1 through 17 listed in this section, the Department may issue a written warning after the first incident.

<u>VIOLATION</u>	<u>SANCTION</u>
1. Failure to attend the required training.	Termination of Contract and/or ineligibility for reauthorization
2. Accumulating 35 or more Administrative and Procedural Violation points.	Termination of Contract and one-year disqualification

<u>VIOLATION</u>	<u>SANCTION</u>
3. Failure to provide access to store premises and/or in any manner to hinder or impede authorized WIC Program staff in the act of conducting an on-site education, monitoring, inventory audit, or investigation visit.	Termination of Contract and immediate disablement of POS device
4. Threatening and/or verbally abusing WIC participants and/or authorized WIC Program staff in the conduct of legitimate WIC Program business.	Termination of Contract and immediate disablement of POS device
5. Making false statements on a WIC Vendor Application, Contract, request for information, audit, etc.	Termination of Contract and immediate disablement of POS device
6. The existence of a conflict of interest between the Vendor and the Department or Local Agency as defined by State law, regulations and/or policies.	Termination of Contract and immediate disablement of POS device
7. Suspension or loss of a license or permit to operate a food establishment by the Michigan Department of Agriculture & Rural Development (MDARD).	Termination of Contract and/or immediate disablement of POS device
8. Vendor ceasing operation or unable to transact WIC for any reason, except due to temporary closure from casualty losses, natural disaster, or renovations for improvements, as set out in the State Plan of Program Operations and Administration and any subsequent revisions.	Termination of Contract and immediate disablement of POS device
9. Failure to notify the Department of a change of ownership; or, change of location, as defined in Section III, Item 15 and Section XII of the WIC Vendor Contract.	Termination of Contract and immediate disablement of POS device
10. Assessment of a Civil Money Penalty (CMP) for hardship in SNAP (Food Stamp Program).	Termination of Contract and disqualification from the WIC Program for the period for which the Vendor would otherwise have been disqualified by SNAP

<u>VIOLATION</u>	<u>SANCTION</u>
11. A pattern of failing to maintain inventory records or other records the Department requires in the WIC Vendor Contract for a period of three-years after final payment has been received by the Vendor for redeemed food benefits or after all pending matters have been resolved. A pattern will be established when a Vendor fails to produce inventory records for specified WIC-approved foods as requested by the Department corresponding to a 3-months to 36-month audit period, as applicable.	Termination of Contract and one-year disqualification
12. Failure to make available to the Department, the United States Department of Agriculture, or the Comptroller General of the United State, upon request, at a reasonable time and place for inspection and audit or to provide legible copies to the Department within 21 calendar days of the date of the request, all WIC transaction information in the Vendor's possession and all Program related records, including purchase and inventory records for WIC-approved food items for which the Vendor has claimed reimbursement from the Department.	Termination of Contract and immediate disablement of POS device
13. Failure to purchase infant formula from licensed wholesalers, distributors and retailers listed with the Michigan Department of Agriculture & Rural Development (MDARD) or from infant formula manufacturers registered with the Food and Drug Administration	Termination of Contract
14. Failure at any time during the Contract period to meet all of the most current WIC Vendor Selection Criteria. (See MI-WIC Vendor Policy Section 2.02.)	Termination of Contract
15. Failure to immediately notify the Department if and/or when total WIC sales exceed more than 50% of total store food sales.	Termination of Contract
16. Providing cash, alcohol, tobacco, or lottery to WIC participants as an incentive to redeem WIC benefits.	Termination of Contract
17. Allowing the return of food purchased with WIC benefits in exchange for cash.	Termination of Contract and one-year disqualification
18. Failure to comply with all Federal Regulations and state laws, rules and regulations as they relate to WIC Vendors.	Termination at the discretion of the Department

III. VIOLATIONS REQUIRING A MANDATORY SANCTION UNDER FEDERAL REGULATIONS AT 7 CFR 246.12

Federal Regulations at 7 CFR 246.12 require mandatory sanctions be imposed for the violations listed in this section and also require that a pattern of incidences of a violation be established before imposing a mandatory sanction for violations numbered 1, 2, 3, 4, or 5 listed in this section. For

violations of numbers 3, 4 or 5 listed in this section, the Department may issue a warning after the first incident.

The Department shall terminate the Vendor's WIC Vendor Contract in addition to imposing the mandatory disqualification sanctions listed in this section. The Department may also deny a WIC Vendor Application for any of the violations listed in this section.

The WIC Program continues to work with the Vendor community to eliminate fraud and abuse. The Program considers violations relating to overcharging WIC to be very serious and to jeopardize the integrity of the WIC Program. USDA provides the State Agency discretion to decide which factors to consider in determining if a notice of a violation would compromise an investigation.

When investigations are covert in nature and conducted on Vendors that have a high-risk indicator, the State Agency will review the initial violation relating to overcharging to determine if a written warning should be issued. However, if, on a case-by-case basis, it is determined that the notice of a violation requiring a pattern of violations would compromise the investigation, this will be documented, and no warning letter will be sent to the Vendor. No written warning will be issued as a result of a sanctionable violation identified during an inventory audit. However, failure to issue a warning letter shall not be a basis to contest the validity of a documented violation.

Also, Vendors are not provided notice of covert investigations being conducted by SNAP (Food Stamp Program), the USDA Office of Inspector General, the State Police or other authorities. It is our common goal to strengthen the integrity of the WIC Program, contain costs, and serve participants. When overcharging (charging WIC more than the shelf price) happens, this serious violation will not be tolerated.

<u>VIOLATION</u>	<u>Number of Incidences to Establish a Pattern of the Violation to Result in the Indicated Sanction</u>	<u>Sanction and Length of Disqualification</u>
1. A pattern of overcharging, which is defined as charging the WIC Program more for supplemental food than non-WIC customers, or charging the WIC Program more than the current shelf price.	3	Termination of Contract and three-year disqualification
2. A pattern of charging the WIC Program for food (by UPC code) not received by the participant.	3	Termination of Contract and three-year disqualification
3. A pattern of receiving, transacting and/or redeeming WIC EBT benefits outside of authorized channels, including the use of unauthorized Vendors and/or unauthorized persons. This also includes an unauthorized Vendor passing WIC benefits to an authorized Vendor for redemption.	2	Termination of Contract and three-year disqualification

<u>VIOLATION</u>	<u>Number of Incidences to Establish a Pattern of the Violation to Result in the Indicated Sanction</u>	<u>Sanction and Length of Disqualification</u>
4. A pattern of providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives or controlled substances as defined in 21 USC 802, in exchange for WIC benefits.	2	Termination of Contract and three-year disqualification
5. A pattern of providing unauthorized food items in exchange for WIC benefits, including charging for supplemental food provided in excess of those listed on the WIC benefit.	3	Termination of Contract and one-year disqualification
6. Vendors convicted of trafficking in WIC EBT WIC benefits or selling firearms, ammunition, explosives or controlled substances as defined in Section 102 of the Controlled Substance Act (21 USC 802), in exchange for WIC EBT WIC benefits. A Vendor shall not be entitled to receive any compensation for revenues lost as a result of such a violation.	1	Termination of Contract and permanent disqualification
7. Vendors buying or selling WIC EBT WIC benefits for cash (trafficking), or selling firearms, ammunition, explosives, or controlled substances as defined in Section 102 of the Controlled Substance Act (21 USC 802), in exchange for WIC EBT WIC benefits.	1	Termination of Contract and six-year disqualification
8. The sale of alcohol or alcoholic beverages or tobacco products in exchange for WIC EBT WIC benefits.	1	Termination of Contract and three-year disqualification
9. 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 monetary claim may be issued in the amount of the discrepancy between the reimbursement and inventory records.	3 or more months	Termination of Contract and three-year disqualification

<u>VIOLATION</u>
10. Vendors who have been disqualified from SNAP (Food Stamp Program) shall be disqualified, and/or terminated from the WIC Program. The disqualification shall be for the same length of time as the SNAP disqualification and may begin at a later date than the SNAP disqualification. The disqualification is not subject to Administrative Review or Administrative Hearing under the WIC Program.

IV. CORRECTIVE ACTION PLAN IN LIEU OF TERMINATION AND DISQUALIFICATION FOR ACCUMULATION OF ADMINISTRATIVE VIOLATION POINTS

Vendors that have accumulated 35 or more violation points under Section I, at the Department's sole and exclusive discretion, may be given an opportunity to enter into a Corrective Action Plan (CAP) in lieu of termination and disqualification. As deemed necessary by the Department, a Civil Money Penalty, as described in Section V below, may also be issued as part of a CAP. The CAP is subject to the following conditions:

- Unless determined necessary for ensuring participant access, a Vendor that accumulates 70 or more violation points will not be considered under this section; and
- Vendor must meet all WIC Vendor Selection Criteria and not currently be in violation of any of the violations listed in Section III, Mandatory Sanctions of the WIC Vendor Sanction Schedule; and
- Vendor must submit a written CAP addressing the violations in a form acceptable to the WIC Program; and
- Vendor will be given 90 days (the Assessment Period) to demonstrate that it can consistently meet Program requirements. Vendor agrees that, during the Assessment Period, the Department will conduct a minimum of three (3) to five (5) unannounced monitoring visits; and
- During the Assessment Period, Vendor will be subject to all terms and conditions of the WIC Vendor Contract and to sanctions for any violations that occur in accordance with the WIC Vendor Sanction Schedule. Granting a CAP will not limit or affect the Department's right to issue additional sanctions or other actions permitted under the WIC Vendor Contract, the WIC State Plan, and federal regulations; and
- If Vendor successfully completes the Assessment Period, the Department will reduce Vendor's violation points to 0 as of that date going forward; and
- If Vendor accumulates violation points during the Assessment Period, Vendor may be subject to termination and disqualification in accordance with the WIC Vendor Sanction Schedule. Any violations assessed during the Assessment Period may be included as evidence to support this action.

V. CIVIL MONEY PENALTY

If the Department determines that disqualification of a Vendor would result in inadequate participant access, the Department shall impose a Civil Money Penalty (CMP) in lieu of disqualification. Vendors who pay the CMP imposed by the Department in lieu of disqualification for the violation listed in Section II, Item 2 will have their Administrative and Procedural Violation Points reduced to

0 after payment is made.

The CMP amount shall be determined using the formula in USDA Federal Regulations at 7 CFR 246.12(l)(1)(x). The total amount of CMPs for violations investigated as part of a single investigation has a maximum of \$15,692 for each violation, except that the maximum penalty for violations occurring during a single investigation is \$62,767 pursuant to 7 CFR 3.91(b)(3)(v).

A CMP will not be issued in lieu of disqualification under the following circumstances:

- If the Vendor has been assessed a CMP for hardship by SNAP.
- If the Vendor has been assessed a CMP in lieu of disqualification by another WIC State Agency.

However, if the Department determines a participant access need, the Vendor will not be disqualified.

Disqualification of Vendors for violations listed in Section III, Items 6 and 10, however, are not subject to the possibility of receiving Civil Money Penalties in lieu of disqualification, regardless of participant access or other circumstance.

A Vendor who does not pay, only partially pays, or fails to timely pay a CMP assessed in lieu of disqualification will be disqualified from the WIC Program for the length of the disqualification corresponding to the violation for which the CMP was assessed (for a period corresponding to the most serious violation in cases where a mandatory sanction included the imposition of multiple CMPs as a result of a single investigation).

SECOND SANCTION

For a Vendor who has previously been assessed a sanction for any of the violations listed in Section II, item 11, and Section III, items 1, 2, 3, 4, 5, 7, 8 and 9, and receives another sanction for any of these violations, the second sanction will be doubled.

THIRD SANCTION

A Civil Money Penalty shall not be imposed in lieu of disqualification for third or subsequent sanctions for violations listed in Section II, item 11, and Section III, items 1, 2, 3, 4, 5, 7, 8 and 9 of this Sanction Schedule.

VI. MULTIPLE VIOLATIONS DURING A SINGLE INVESTIGATION

When during the course of a single investigation the Department determines a Vendor has committed multiple violations (which may include violations subject to Department Sanctions), the Department shall disqualify the Vendor for the period corresponding to the most serious mandatory sanction.

VII. NO VOLUNTARY WITHDRAWAL OR NONRENEWAL OF CONTRACT

The Department shall not accept voluntary withdrawal of the Vendor from the WIC Program as an alternative to issuing a sanction for the violations in this Sanction Schedule.

If a Vendor voluntarily withdraws from the WIC Program and is issued a sanction including a

disqualification period, the Vendor's voluntary withdrawal shall be accepted as grounds for immediate termination of the WIC Vendor Contract. The Vendor shall still be subject to disqualification from participation in the WIC Program, including re-application for a WIC Vendor Contract, for the duration of the disqualification period. A Vendor who has voluntarily withdrawn from the WIC Program retains the right to appeal sanctions according to standard appeal procedures.

In addition, the Department shall not use nonrenewal of the WIC Vendor Contract as an alternative to disqualification.

VIII. CRIMINAL OR CIVIL PROSECUTION

A Vendor who commits fraud or abuse of the Program is liable to prosecution under applicable Federal, State or Local laws. In accordance with Federal Regulations, those who have willfully misapplied, stolen, or fraudulently obtained Program funds shall be subject to a fine of not more than \$25,000 or imprisonment for not more than five (5) years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one (1) year or both.

IX. CHANGE OF LOCATION

If a Vendor changes its business location and is authorized at the new location under the change of location policy, any violations which occurred under the previous WIC Vendor Contract will carry over to the Contract at the new location and may be used as a basis for termination and/or disqualification action or other sanctions.

X. CHANGE OF BUSINESS ENTITY THAT IS THE OWNER

If a Vendor changes ownership at the same location by reason of a change in business entity or the addition or deletion of partners, associates or principals, then any violations which occurred under the previous WIC Vendor Contract will carry over to the new Contract and may be used as a basis for termination and/or disqualification action or other sanctions. By way of example, such changes in ownership may include, but are not limited to, a change from a sole proprietorship or partnership to a corporation where the previous individual owner(s) or one or more partner(s) remain as an officer or shareholder of the new corporation. Because the WIC Vendor Contract is specific to the owner, the WIC Program must approve any changes in ownership before they occur.

XI. TERMINATION/DENIAL/DISQUALIFICATION

Vendors may appeal denial, termination, termination and disqualification, or a Civil Money Penalty according to the MI-WIC Vendor Policy 7.0 (Appeals Policy). However, a termination and disqualification which is based on a SNAP disqualification is not subject to Administrative Review, Administrative Hearing, or other judicial review.

For those cases where a Vendor has timely appealed a termination or termination and disqualification action, and the Vendor was allowed to continue on the Program, all provisions of the WIC Vendor Contract will continue to apply, including sanctions for noncompliance, during the time period the Contract is in effect.

Vendors whose Contracts are terminated, denied and/or disqualified and wish to become authorized again must reapply (if disqualified, after the disqualification period) for a WIC Vendor Contract. The Vendor must meet all requirements in force at that time for a WIC Vendor Contract, including the WIC Vendor Selection Criteria and Limitation Policy requirements. The Department will not consider

contracting with a Vendor during any disqualification period from the WIC Program.

XII. SNAP (FOOD STAMP) DISQUALIFICATION

Disqualification from the WIC Program for any of the mandatory sanctions listed in Section III of this Sanction Schedule may result in disqualification as a retailer in SNAP. Such disqualification is not subject to Administrative Review, Administrative Hearing, or other judicial review.

7.5 Administrative Reviews & Hearings

If the WIC Program takes adverse action against a Vendor, the Vendor may have the right to an Administrative Review or Administrative Hearing. This right is dependent on the violation and, if applicable, the Vendor will be notified of this right in the Notice of Adverse Action sent to the store.

What is an Administrative Review?

An administrative review is an appeal process that is solely a review of written documents and does not involve an administrative hearing in front of a judge. The review will be conducted by a party that did not participate in making decisions on initial adverse actions and will be done of the following written documents: 1) the documents upon which the Department's adverse action is based and 2) the Vendor's written response to the adverse action.

What is an Administrative Hearing?

An administrative hearing is a formal proceeding held before an administrative law judge to resolve disputes between a Vendor or Vendor Applicant and the Department. Following timely receipt of a written request for an administrative hearing, the Department shall provide the Vendor with an opportunity for a hearing at the offices of the Michigan Department of Administrative Hearings & Rules.

Deadlines

A request for administrative review or administrative hearing must be received by the filing deadline calendar date included on the notice of adverse action by the Department. The Department will send the notice of adverse action at least 21 days in advance of the filing deadline calendar date. Requests will not be accepted after that time; thus, it is very important to open and read all mail and emails you receive in a timely manner.

The full MI-WIC Vendor Policy 7.0 Vendor Appeals is included in the following pages. These documents can also be found on our website at www.Michigan.gov/WICVendor. MI-WIC Vendor Policy is written in accordance with the Federal Regulations and are approved by the USDA every year.

KNOW
YOUR
RIGHTS

7.0 Vendor Appeals

Effective Date: 08-01-2021

7.01 Appeals Policy Overview

PURPOSE: To outline the steps the Department must follow to notify Vendors or Vendor Applicants of an adverse action and their rights to appeal said action.

DEFINITIONS:

Administrative hearing means a formal proceeding held before an administrative law judge to resolve disputes between a Vendor or Vendor Applicant and the Department.

Administrative review means an appeal process that is solely a review of written documents and does not involve an administrative hearing in front of a judge.

Program violation means any intentional or unintentional action of a WIC Vendor's current owners, officers, managers, agents, or employees (with or without the knowledge of management) that violates the WIC Vendor Contract or Federal or State statutes, regulations, policies, or procedures governing the Program.

Sanction means a punitive or adverse action taken against a WIC Vendor for identified program violations. Sanctions may include, but are not limited to, termination, disqualification, and civil money penalties in lieu of disqualification.

A. POLICY:

1. The Department shall create and make available to WIC authorized Vendors and Vendor Applicants (Vendors) policy surrounding the appeals process and those sanctions and/or adverse actions that are and are not subject to an administrative review or hearing.
2. When the Department takes adverse action against a Vendor, the Department shall provide to the Vendor a written notice of the adverse action to be taken that includes:
 - a. The reason(s) for the adverse action;
 - b. The effective date of the adverse action; and
 - c. The filing deadline and procedures for requesting an administrative hearing or review, if applicable.
3. With exception of application denials and termination due to conviction of trafficking, which shall be made effective immediately, the Department will send notification of adverse actions at least 21 calendar days in advance of the effective date of the action.
4. Unless otherwise specified, the Department will serve a Notice of Adverse Action by certified first-class mail and/or email to the last known address of the party or the

authorized representative of a party as indicated by Department records. The Department will retain proof of service in its records. (See Policy 1.03 Communication with Vendors.)

5. For those cases where a Vendor appealed an adverse action and was allowed to continue on the Program, all provisions of the WIC Vendor Contract will continue to apply, including sanctions for noncompliance, during the time period the contract is in effect. (See Exhibit 2.05A WIC Vendor Contract, 2.05B WIC Pharmacy Vendor Contract, and 6.01A WIC Vendor Sanction Schedule.)

References:

[7 CFR Part §246.18 \(a\)](#)

Cross-references:

1.03 [Communication with Vendors](#)

Exhibits:

2.05A [WIC Vendor Contract](#)

2.05B [WIC Pharmacy Vendor Contract](#)

6.01A [WIC Vendor Sanction Schedule](#)

7.0 Vendor Appeals

Effective Date: 08-01-2021

7.02 Adverse Actions Subject to Appeal

PURPOSE: To establish those adverse actions and WIC Vendor Application denials which may be appealed through administrative review, administrative hearing, or are not appealable.

DEFINITIONS:

Administrative hearing means a formal proceeding held before an administrative law judge to resolve disputes between a Vendor or Vendor Applicant and the Department.

Administrative review means an appeal process that is solely a review of written documents and does not involve an administrative hearing in front of a judge.

Sanction means a punitive or adverse action taken against a WIC Vendor for identified program violations. Sanctions may include, but are not limited to, termination, disqualification, and civil money penalties in lieu of disqualification.

Trafficking means at least one incidence of buying or selling WIC benefits for cash.

WIC benefits means electronic benefits that can be used to purchase WIC-approved food items from authorized WIC Vendors using a WIC electronic benefits transfer (EBT) card.

A. POLICY:

1. *Administrative Review.* A Vendor or Vendor Applicant (Vendor) has the right to appeal the following adverse actions taken by the Department via administrative review:
 - a. Denial of a WIC Vendor Application for the following: (See Exhibit 2.01B WIC Vendor Application (MDHHS-5942-V) and 2.01C WIC Pharmacy Vendor Application (MDHHS-5942-P).)
 - i. Failure to meet WIC Vendor Selection Criteria, unless the Vendor failed to meet minimum stock requirements or attempted to circumvent a sanction. (See Policy 2.02 Vendor Selection Criteria.) This includes, but is not limited to, the following criteria:
 1. Business integrity. (See Federal Regulations 7 CFR Part §246.12 (g).)
 2. Authorization and good standing in the Supplemental Nutrition Assistance Program (SNAP). This includes denial based on a SNAP civil money penalty for hardship.
 3. Competitiveness of prices for WIC-approved foods. (See Policy 2.03 Vendor Peer Groups.)

- 4. Total WIC sales for any 12-month period that do not exceed 50% of the Vendor's total annual food sales.
 - ii. A current or previously applied sanction, such as disqualification from the program.
 - iii. The Department's WIC Vendor Limitation Policy. (See Policy 2.04 Vendor Limitation Policy.)
 - iv. An incomplete or untimely application.
 - v. Failure to attend a required training. (See Policy 4.02 Initial Training of New Vendors and 4.03 Training for Authorized Vendors.)
 - vi. False statements on an application, contract, or any other communication to the Department.
 - b. Termination of a WIC Vendor Contract for the following: (See Exhibit 2.01A WIC Vendor Contract and 2.05B WIC Pharmacy Vendor Contract.)
 - i. False statements on an application, contract, or any other communication to the Department.
 - ii. Change in ownership or location, or cessation of operations.
 - c. Disqualification based on:
 - i. A trafficking conviction.
 - ii. A civil money penalty for hardship imposed by SNAP.
 - d. Disqualification or a civil money penalty imposed in lieu of disqualification based on a mandatory sanction imposed by another WIC state agency.
2. *Administrative Hearing.* A Vendor has the right to appeal the following adverse actions taken by the Department via an administrative hearing:
- a. Denial of a WIC Vendor Application for the following:
 - i. Failure to maintain mandatory minimum stock, as identified on a WIC Vendor Application or documented during a preauthorization site visit. (See Exhibit 2.01B WIC Vendor Application (MDHHS-5942-V), 2.01C WIC Pharmacy Vendor Application (MDHHS-5942-P), 2.01D Pre-authorization Report (MDHHS-5940-V), 2.01E Quality Exception Pre-authorization Report (MDHHS-

5940-Q), 2.01F Pharmacy Pre-authorization Report (MDHHS-5940-P), and 2.02A WIC Vendor Minimum Stock Requirements.)

- ii. Determination that the Vendor has attempted or is attempting to circumvent a sanction.
 - b. Termination of a WIC Vendor Contract for cause, as outlined in the WIC Vendor Sanction Schedule, with exception of the following sanctions: *WIC Vendor Sanction Schedule, Section II, Items 1, 5, 7, 8, 9, 10, and 14.* (See Exhibit 6.01A WIC Vendor Sanction Schedule.)
 - c. Disqualification from the WIC Program, unless the disqualification is based on a disqualification from the Supplemental Nutrition Assistance Program (SNAP).
 - d. Imposition of a fine or a civil money penalty in lieu of disqualification.
3. *Not Subject to Appeal.* Actions taken by the Department that are not subject to appeal include, but are not limited to, the following:
- a. The validity or appropriateness of the Department's:
 - i. WIC Vendor Limitation Policy or WIC Vendor Selection Criteria. (See Policy 2.02 Vendor Selection Criteria and 2.04 Vendor Limitation Policy.)
 - ii. Exercise of its discretion to apply exceptions to the WIC Vendor Limitation Policy. (See Policy 2.04 Vendor Limitation Policy.)
 - iii. Criteria employed during the process for ranking the competitiveness of Vendor Applicants.
 - iv. Criteria for establishing peer groups. (See Policy 2.03 Vendor Peer Groups.)
 - v. Assessment of the competitiveness of prices.
 - vi. Criteria used to identify whether a Vendor's WIC sales exceed 50% of its total annual food sales.
 - vii. Criteria for making participant access determinations or any outcome of a participant access determination. (See Policy 2.04 Vendor Limitation Policy.)
 - viii. Prohibition of incentive items.
 - b. The Department's decision:
 - i. To include or exclude an infant formula manufacturer, wholesaler,

distributor, or retailer from any list provided to Vendors as acceptable sources for purchasing infant formula.

- ii. Whether to notify a Vendor in writing when an investigation reveals an initial violation for which a pattern of violations is required to be established before a sanction can be imposed.
 - iii. Whether a Vendor had an effective policy and program in effect to prevent trafficking and whether the Vendor's owning entity was aware of, approved of, or was involved in trafficking.
- c. The expiration of a WIC Vendor Contract. (See Policy 2.06 Contract Expiration & Termination.)
 - d. Disputes regarding WIC benefit payments and Vendor claims.
 - e. Disqualification of a Vendor from WIC based on a disqualification from SNAP.

References:

- [7 CFR Part §246.12 \(g\)](#)
- [7 CFR Part §246.18 \(a\)](#)

Cross-references:

- 2.02 [Vendor Selection Criteria](#)
- 2.03 [Vendor Peer Groups](#)
- 2.04 [Vendor Limitation Policy](#)
- 2.06 [Contract Expiration & Termination](#)
- 4.02 [Initial Training of New Vendors](#)
- 4.03 [Training for Authorized Vendors](#)

Exhibits:

- 2.01B [WIC Vendor Application](#)
- 2.01C [WIC Pharmacy Vendor Application](#)
- 2.01D [Pre-authorization Report](#)
- 2.01E [Quality Exception Pre-authorization Report](#)
- 2.01F [Pharmacy Pre-authorization Report](#)
- 2.02A [WIC Vendor Minimum Stock Requirements](#)
- 2.05A [WIC Vendor Contract](#)
- 2.05B [WIC Pharmacy Vendor Contract](#)
- 6.01A [WIC Vendor Sanction Schedule](#)

7.0 Vendor Appeals

Effective Date: 08-01-2021

7.03 Administrative Reviews

PURPOSE: To describe the appeals process for administrative reviews. Refer to Michigan WIC Vendor Policy 7.02 for adverse actions subject to administrative review.

DEFINITIONS:

Administrative review means an appeal process that is solely a review of written documents and does not involve an administrative hearing in front of a judge.

A. POLICY:

1. Administrative reviews shall be conducted by the Michigan Department of Health and Human Services Appeals Section. The Appeals Section will not participate in making decisions on initial adverse actions.
2. The Notice of Adverse Action received by the WIC-authorized Vendor or Vendor Applicant (Vendor) will alert the Vendor of their ability and filing deadline to appeal the decision via administrative review. The notice will include the Administrative Review Request Form. (See Exhibit 7.03A Administrative Review Request Form (MDHHS-5947).)
3. To request an administrative review, the Vendor must complete and submit the Administrative Review Request Form to the Appeals Section. Untimely and/or incomplete requests will not be considered. (See Exhibit 7.03A Administrative Review Request Form (MDHHS-5947).)
4. The Appeals Section shall decide whether to uphold or overturn the adverse action by reviewing documents provided by both the Department and Vendor.
5. Upon conclusion of its review, the Appeals Section will issue a final decision to the Vendor by certified mail.
 - a. The final decision is effective on the date the Vendor receives it.
 - b. The decision to uphold or overturn an adverse action is based solely on whether the Department has correctly applied federal and state statutes, regulations, policies and procedures governing the program according to the information provided by the Department and the Vendor.
6. The Vendor may be able to pursue judicial review of the final decision in accordance with 7 CFR 246.18, MCL 600.631, MCR 7.101, 7.103 and MCR 7.104(A).

References:

[7 CFR Part §246.18](#)
[MCL 600.631](#)
[MCR 7.101](#)
[MCR 7.103](#)
[MCR 7.104\(A\)](#)

Cross References:

7.02 [Adverse Actions Subject to Appeal](#)

Exhibits:

7.03A [Administrative Review Request Form](#)

7.0 Vendor Appeals

Effective Date: 08-01-2021

7.04 Administrative Hearings

PURPOSE: To describe the appeals process for administrative hearings. Refer to Michigan WIC Vendor Policy 7.02 for adverse actions subject to administrative hearing.

DEFINITIONS:

Administrative hearing means a formal proceeding held before an administrative law judge to resolve disputes between a Vendor or Vendor Applicant and the Department.

A. POLICY:

1. Administrative hearings shall be held before an administrative law judge within the Michigan Office of Administrative Hearings and Rules (MOAHR). The individual presiding during the appeal shall not have participated in making the decision that is under appeal.
2. The Notice of Adverse Action received by the WIC-authorized Vendor or Vendor Applicant (Vendor) will alert the Vendor of their ability and filing deadline to appeal the decision via administrative hearing. The notice will include the Request for Administrative Hearing form. (See Exhibit 9.04A Administrative Hearing Request Form (MDHHS-5948).)
3. To request an administrative hearing, the Vendor must complete and submit the Request for Administrative Hearing form by the filing deadline calendar date included on the notice of adverse action by the Department. The date of the hearing request will be the date it is received by MOAHR. (See Exhibit 9.04A Administrative Hearing Request Form (MDHHS-5948).)
4. The Request for Administrative Hearing form must be signed by the Vendor's owner, an authorized representative, or attorney.
5. Following receipt of a valid hearing request, MOAHR will initiate a hearing.
 - a. The presiding administrative law judge may schedule a telephone prehearing conference to address any preliminary matters. A Notice of Telephone Prehearing conference will be sent to the parties.
 - b. The administrative law judge will conduct the administrative proceedings in accordance with the Department of Licensing and Regulatory Affairs' Administrative Hearing Rules, Michigan Administrative Code, Rule 792.10101 et seq.
 - c. The administrative law judge will issue a Notice of Hearing via certified mail that will include the date, time, and location of the hearing.

- d. The Notice of Hearing must be mailed at least 10 calendar days before the scheduled administrative hearing date.
- 6. The Vendor has, but is not limited to, the following rights at an administrative hearing:
 - a. The opportunity to examine before the hearing the evidence upon which the Department's adverse action is based.
 - b. During the hearing, the opportunity to explain the reasons for the appeal, offer evidence, call witnesses, and cross-examine adverse witnesses. When necessary, to protect the identity of WIC Program investigators, examination may be conducted behind a protective screen or other device (also referred to as an "in camera" examination).
 - c. The opportunity to be represented by legal counsel of the Vendor's choice and expense. Vendors may also represent themselves.
 - d. At least one opportunity to adjourn the administrative hearing date upon specific request. Adjournment requests must be made to MOAHR in writing by a Vendor's authorized representative. The presiding administrative law judge will either grant or deny the adjournment request.
 - e. A decision by an impartial decision-maker, whose determination is based solely on whether the Department has correctly applied federal and state statutes, regulations, policies, and procedures governing the WIC Program, according to the evidence admitted at the hearing.
 - f. Written notification of the hearing decision, including the basis for the decision, within 90 days from the date of receipt of a Vendor's request for an administrative hearing. Failure to receive a decision within 90 days will not overturn the Department's adverse action(s).
 - g. The opportunity to withdraw the appeal or resolve the dispute through stipulation, settlement, consent order, waiver, default, or other method.
- 7. Upon conclusion of the hearing, the presiding administrative law judge will issue a Final Decision to the Vendor by certified mail.
 - a. If the adverse action has not already taken effect, an upheld adverse action becomes effective on the proof of service date of the Final Decision.
 - b. The parties may request a rehearing and/or reconsideration of the Final Decision with MOAHR; however, the adverse action remains in effect while a motion for rehearing or reconsideration is pending.

8. The Vendor may be able to pursue judicial review of the Final Decision in accordance with 7 CFR 246.18, MCL 600.631, MCR 7.101, 7.103 and MCR 7.104(A).

References:

[7 CFR Part §246.18](#)
[MCL 600.631](#)
[MCR 7.101](#)
[MCR 7.103](#)
[MCR 7.104\(A\)](#)

Cross-references:

7.02 [Adverse Actions Subject to Appeal](#)

Exhibits:

7.04A [Administrative Hearing Request Form](#)

8. Useful Forms & Materials

NOTE: All forms in this section can also be found on the Michigan WIC website at www.Michigan.gov/WICVendor.

8.1 Resources

Michigan Department of Health & Human Services – WIC Division

Elliott-Larsen Building, 6th Floor
320 S. Walnut Street Lansing, MI 48913

Phone: 517-335-8937
Fax: 517-335-9514
Email: MDHHS-WICVendor@michigan.gov
Website: Michigan.gov/WICVendor



Issues with your Stand-Beside Point of Sale (POS) Device

Contact FIS Merchant Services Help Desk at 1-888-529-1693

Reporting Fraud and/or Abuse:

Phone: 1-800-CALL-WIC
Email: WICFraudInvestigations@Michigan.gov

Contacting Michigan Department of Agriculture and Rural Development (MDARD)

Contact by phone: 1-800-292-3939
Contact by e-mail: MDA-info@Michigan.gov
Website: Michigan.gov/MDARD

SNAP Retailer Information

Toll Free information Number: 1-877-823-4369
Website: fns.usda.gov/snap/retailer



8.2 Pre-Authorization Report

PRE-AUTHORIZATION REPORT

Michigan Department of Health and Human Services
WIC Vendor Relations Unit
MDHHS-5940-V (4-21)

	MDARD Food Establishment License Number _____
	Number of Registers: _____

SITE VISIT VERIFICATION

- ☐ Based on an on-site inspection, I certify that the above-named Vendor is in compliance with the following:
- All WIC requirements, including all selection criteria requirements and the minimum stock requirements (MSR).
 - Has prices for all WIC-approved foods properly displayed.
 - Based on items carried by Vendor and types of transactions accepted, the Vendor is not a "WIC only" Vendor.
 - The Michigan Department of Agriculture and Rural Development (MDARD) license is current.
- ☐ The Vendor does NOT meet at least the minimum stock requirements as indicated below.
- ☐ The Vendor does NOT meet other WIC Vendor Selection Criteria and/or requirements.
Specify _____

Food Group	Minimum Stock Required	Met	Not Met (No. of Stock)
Formula – Enfamil Infant/ Gentlease	12 units (1 unit = 1 can)	<input type="checkbox"/>	
Fruits	\$20 Retail Value or 15 Pounds 4 varieties, at least 2 varieties fresh	<input type="checkbox"/>	
Vegetables	\$20 Retail Value or 15 Pounds 4 varieties, at least 2 varieties fresh	<input type="checkbox"/>	
Whole Grains	8 units, at least 4 units of bread (1 unit = 16 oz package)	<input type="checkbox"/>	
Cereals	12 units, 5 varieties, 3 Whole Grain (1 unit = box/bag of any size)	<input type="checkbox"/>	
Eggs	5 units (1 unit = dozen eggs)	<input type="checkbox"/>	
Fish	12 units (1 unit = package/can any size)	<input type="checkbox"/>	
Infant Cereals	6 units, at least 2 varieties (1 unit = 8 oz box container)	<input type="checkbox"/>	
Infant Fruits and Vegetables	72 units, at least one variety fruit and one variety vegetable (1 unit = 4 oz)	<input type="checkbox"/>	
Beans, Lentils or Peas	4 units (1 unit = 16 oz bag or 4 cans/jars)	<input type="checkbox"/>	
Peanut Butter	4 units (1 unit = 16-18 oz jar)	<input type="checkbox"/>	
Whole Milk	4 units (1 unit = 1 full gallon)	<input type="checkbox"/>	
Low Fat and/or Fat Free Milk	4 units (1 unit = 1 full gallon)	<input type="checkbox"/>	

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8.2 Pre-Authorization Report

Yogurt	4 units (1 unit = 32 oz)	<input type="checkbox"/>	
Cheese	5 units (1 unit = 16 oz package)	<input type="checkbox"/>	
64 oz juices	10 units, at least 2 flavors (1 unit = 64 oz)	<input type="checkbox"/>	
48 oz or 11.5/12 oz juices	5 units, at least 2 flavors (1 unit = 48 oz bottle or 11.5/12 oz can concentrate)	<input type="checkbox"/>	

TRAINING CERTIFICATION

The following items have been explained to the Vendor:

1. ☐ Purpose and goals of the WIC Program
2. ☐ Terms of the WIC Vendor Contract
3. ☐ WIC-approved foods
4. ☐ Minimum stock requirements
5. ☐ WIC transaction procedures
6. ☐ Competitive prices and peer groups
7. ☐ WIC Program incentive policy
8. ☐ Procedures for appealing a reduced payment
9. ☐ Purchase requirements and recordkeeping
10. ☐ Requirement to allow the store to be monitored by the WIC Program
11. ☐ Food quality and pricing requirements of the WIC Program
12. ☐ Vendor trainings, communications, and newsletters
13. ☐ Terms of the WIC Vendor Sanction Policy
14. ☐ Administrative Hearing and Review procedures
15. ☐ Vendor complaint process
16. ☐ WIC POS software and devices
17. ☐ Vendor application and authorization process

VENDOR CERTIFICATION

I (the Vendor) certify the following:

If it is documented that the WIC Vendor Applicant does not satisfy all WIC Program requirements for authorization, I understand that the WIC Vendor Application will be denied, and I will be unable to reapply for 90 days. If the on-site inspection supports authorization, the above training items were explained to me to my satisfaction; and I have received a copy of this report and a Vendor Handbook, which includes copies of the WIC Vendor Sanction Policy and Policy 7.0 Vendor Appeals. I understand I will receive a copy of the WIC Vendor Contract and notification of my peer group assignment upon execution by the Michigan Department of Health and Human Services.

Vendor Signature	Print Name	Title	Date
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WIC Vendor Analyst	Print Name	Date
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The Michigan Department of Health and Human Services will not exclude from participation in, deny benefits of, or discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, marital status, gender identification or expression, sexual orientation, partisan considerations, or a disability or genetic information that is unrelated to the person's eligibility.

This institution is an equal opportunity provider.

AUTHORITY: P.A. 368 of 1978

8.3 UPC Request Form

UPC REQUEST

Michigan Department of Health and Human Services
WIC Division

Instructions: Complete the items in the Vendor Information area. Print or type information, and Fax to 517-335-9206. Questions should be directed to 800-942-1636 for Vendor Assistance. If fax is not available mail to Michigan Department of Health and Human Services (MDHHS), Lewis Cass Building – WIC, 320 South Walnut, Lansing, MI 48913.

Telephone requests will not be allowed.

VENDOR INFORMATION

Vendor Name	Vendor WIC Number	Phone Number	Fax Number
Address	City	Zip Code	

PRODUCT INFORMATION

Food Item: (Example: Milk, Cheese, Tuna, etc.)	Item Price	Package Size (oz)
Name of Manufacturer		
Food Brand Name		
UPC Code (include all numbers)		
Food Description (Example: Flavor, Type, Added Ingredient, etc.)		
Copy of UPC Code & Label of Food Item Sent (Please Check One)		<input type="checkbox"/> Yes <input type="checkbox"/> No
Authorized Vendor (Please Print)		
Authorized Vendor Signature		Date

STATE USE ONLY

Date Received	Received By	Date Reviewed	Reviewed By
Decision	<input type="checkbox"/> Approved	<input type="checkbox"/> Not Approved	<input type="checkbox"/> Review Pending
Reason			
Date UPC Entered	Entered By	Category	Sub Category
Vendor Peer Group			

The Michigan Department of Health and Human Services (MDHHS) does not discriminate against any individual or group because of race, religion, age, national origin, color, height, weight, marital status, genetic information, sex, sexual orientation, gender identity or expression, political beliefs or disability. This institution is an equal opportunity provider.

8.4 Monitoring Visit Report

WIC VENDOR MONITORING VISIT REPORT
Michigan Department of Health and Human Services
MDHHS-5941-V (4-21)

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Arrival Time	Departure Time	Date of Visit	Number of Registers
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Visit Reason

MDARD Number	MDARD Expiration	Status
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Email	Phone
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Person(s) Interviewed

Does the Vendor have any displays stating WIC is accepted? <input type="checkbox"/> Yes <input type="checkbox"/> No

Vendor Store Description (i.e., size, inventory, accommodations, service population, accessibility, geographic barriers, etc.)
--

PRICE CHECK

Specific Product	Shelf Price	Scanned Price

8.4 Monitoring Visit Report

Vendor Number _____

Food Group	Minimum Stock Requirements			Prices Displayed		Spoiled Expired Past Date, etc.	Comments
	Required	Met (☑)	Not Met # Stock	Yes (☑)	No (☑)		
Formula, Enfamil Infant/Gentlease	12 Units	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Fruits	\$20 Retail Value or 15 pounds 4 Varieties, at least 2 varieties fresh	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Vegetables	\$20 Retail Value or 15 pounds 4 Varieties, at least 2 varieties fresh	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Whole Grains	8 Units, at least 4 units of bread	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Cereals	12 Units 6 Varieties, 3 Whole Grain	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Eggs	5 Units	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Fish	12 Units	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Infant Cereals	6 Units, at least 2 varieties	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Infant Fruits and Vegetables	72 Units At least one variety fruit and one variety vegetable	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Beans, Lentils or Peas	4 Units	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Peanut Butter	4 Units	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Whole Milk	4 Units	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Low Fat and/or Fat Free Milk	4 Units	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Yogurt	4 Units	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
Cheese	5 Units	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
64 oz Juices	10 Units, at least 2 flavors	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
48 oz or 11.5/12 oz Juices	5 Units, at least 2 flavors	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		

8.4 Monitoring Visit Report

Vendor Number _____

The WIC Vendor Analyst provided training to the Vendor on the following items:

1. ☐ Purpose and goals of the WIC Program
2. ☐ WIC Vendor application process
3. ☐ Competitive prices and peer groups
4. ☐ WIC-approved foods
5. ☐ WIC transaction procedures
6. ☐ Minimum stock requirements
7. ☐ WIC Program incentive policies
8. ☐ WIC Program pricing requirements
9. ☐ Purchase requirements and recordkeeping
10. ☐ Vendor complaint process
11. ☐ Vendor trainings, communications, and newsletters
12. ☐ Procedures for appealing a reduced payment
13. ☐ WIC Vendor Selection Criteria
14. ☐ Terms of the WIC Vendor Sanction Policy
15. ☐ Administrative Hearing procedures and Review procedures
16. ☐ Food quality requirements of the WIC Program
17. ☐ Split tender policies and procedures

The WIC Vendor Analyst provided to the Vendor on the following resources:

1. ☐ WIC Vendor Shelf Talkers
2. ☐ WIC Door Decal
3. ☐ WIC Vendor Handbook
4. ☐ WIC Floor Decal
5. ☐ WIC Mobile Connect App Handout
6. ☐ WIC Minimum Stock Requirements
7. ☐ WIC Vendor Sanction Policy
8. ☐ Michigan WIC English Food Guide(s)
9. ☐ Michigan WIC Spanish Food Guide(s)
10. ☐ Michigan WIC Arabic Food Guide(s)
11. ☐ Policy 2.02 Vendor Selection Criteria
12. ☐ Policy 7.0 Appeals Policy
13. ☐ WIC Transaction Guide
14. ☐ Current WIC Vendor Newsletter

8.4 Monitoring Visit Report

Vendor Number _____

Monitoring Visit Comments

If MI-Bridge, e-WIC, or other EBT cards are identified on the store premises, complete the following items.

Number of cards confiscated by Vendor Analyst

Vendor trained on procedure for returning cards

☐ Yes ☐ No

List where formula is sourced

Vendor Comments

To view program updates and access Michigan WIC Program resources, visit www.michigan.gov/wicvendor

To access a Michigan WIC training video, view <https://youtu.be/dgEKUlp0Dv8>

To contact the Michigan WIC office, call 517-335-8937 or email mdhhs-wicvendor@michigan.gov

This report, including any violations cited and comments on both front and back pages, has been reviewed with me and the Vendor has received a copy.

Vendor Signature	Print Name	Title	Date
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WIC Vendor Analyst	Print Name	Date
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The Michigan Department of Health and Human Services will not exclude from participation in, deny benefits of, or discriminate against any individual or group because of race, sex, religion, age, national origin, color, height, weight, marital status, gender identification or expression, sexual orientation, partisan considerations, or a disability or genetic information that is unrelated to the person's eligibility.

This institution is an equal opportunity provider.

AUTHORITY: P.A. 368 of 1978

8.5 Complaint Form

WIC VENDOR COMPLAINT REQUEST

Michigan Department of Health and Human Services
WIC Division

Fax complaint to: 517-335-9514

Fill out all fields (Use N/A if not applicable):

Complaint received by			
<input type="checkbox"/> Regular Phone	<input type="checkbox"/> WIC Hotline	<input type="checkbox"/> Du Jour	<input type="checkbox"/> Email
<input type="checkbox"/> Regular Mail	<input type="checkbox"/> Fax		
Date	Submitted By	Position	Phone
Email	Local Agency/Unit	Benefits Package Attached <input type="checkbox"/>	

Complainant	<input type="checkbox"/> Vendor <input type="checkbox"/> LA Staff	<input type="checkbox"/> Client <input type="checkbox"/> State Staff	Phone Number
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If the complaint involves a client, the following information is needed:

Family ID	Client ID	Card Number
May the State Agency contact the client directly? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Complaint Details		

If the complaint involves a WIC Authorized Vendor, the following information is needed:

Vendor/Grocer Name		Vendor #
Vendor/Grocer Address		
Date Transaction/ Issue Occurred	Approximate Time	Did Client ask for Assistance from Store Employee? <input type="checkbox"/> Yes <input type="checkbox"/> No
Store Personnel Involved in Complaint		Point of Sale (POS) Error Message, if applicable
Error Displayed On <input type="checkbox"/> WIC POS <input type="checkbox"/> Store Register <input type="checkbox"/> N/A	Does the Client have the Receipt? (If yes, include a copy) <input type="checkbox"/> Yes <input type="checkbox"/> No	

NOTE – All client information is considered confidential, including name, Family ID, Client ID and EBT card number. Facsimile submissions must include confidentiality statement.

TO BE COMPLETED BY STATE STAFF

State WIC Office Action/Resolution		
Determined Origin of Complaint		
<input type="checkbox"/> Client Error	<input type="checkbox"/> Client Unsure of Benefits	<input type="checkbox"/> Issuance Error
<input type="checkbox"/> Vendor Treatment	<input type="checkbox"/> Vendor System Error	<input type="checkbox"/> Vendor Compliance
<input type="checkbox"/> Other _____	<input type="checkbox"/> UPC Issue	<input type="checkbox"/> Vendor Training
Completed By	Position/Unit	Date

8.6 Frequently Asked Questions

Question 1: I am attempting to add a price for a food item, which I am sure qualifies as a WIC item, into the point-of-sale (POS) device but get the message "Not a WIC Item." What can I do?

Answer: If this is a new WIC item, or a current WIC item like cereal that has a new UPC code due to a change in box size or package design, the UPC may not yet be added to the State UPC database. The vendor should submit a [UPC Request Form](#) by email to mdhhs-wicfoodsubmissions@michigan.gov or by fax to 517-335-9206 to request the UPC be added to the State database.

You will be notified if/when the item is approved and added to the State database and will then be able to scan the item and enter a price. A copy of this form is located in Section 8 and on our website at www.Michigan.gov/WICVendor.

Question 2: I have a stand-beside WIC POS. I tried to sell a bag of approved fresh vegetables on WIC, but when I scanned the UPC I got the message "Not a WIC Item." Why is this happening?

Answer: If you use a stand-alone WIC POS device for the sale of any fresh fruit or vegetable, never scan a UPC, even if there is one on the package. Instead, enter the dollar amount for total fresh fruits and vegetables during a WIC transaction. Cash value benefits may only be entered for fresh fruits and vegetables. Frozen/canned fruits and vegetables must be scanned prior to this step.

Question 3: The wholesale price of a particular WIC item has risen considerably, but the maximum price WIC is reimbursing is not keeping up and is not a fair price. What can I do?

Answer: Max prices are calculated by UPC within each Peer Group once a month, using the past two months' worth of sales data. Because of this, there may be a delay before the max price will "catch up" with your price. You may submit a written appeal with justification and a copy of the receipt by email to mdhhs-wicvendor@michigan.gov or by fax at **(517) 335-9514**.

Question 4: How can I get extra Vendor promotional materials?

Answer: Email the Michigan WIC Program at mdhhs-wicvendor@michigan.gov.

Question 5: How do I change the bank account where my WIC reimbursements are deposited?

Answer: Call the FIS Merchant Services Help Desk at **1-888-529-1693**. Know your WIC vendor number before you call, as you will be asked for this information.

8.7 Marketing Strategies & Materials

Providing for WIC customers can enhance a store's other sales. To have a competitive edge with WIC customers, they must 1) know the store is WIC authorized and 2) easily be able to find the items they have been prescribed. Below, we offer ideas to advertise a store to grow and maintain your business with WIC.

Advertise

Use **door decals** and signs outside the store to let people know you accept WIC benefits. Vendors may also advertise in the local paper and on social media and create their own signage. But remember, it is a violation to use the **WIC Logo** in personal advertising.

Data shows WIC shelves increase sales

Pilot projects throughout the country have shown that grouping WIC-approved items together on "WIC Shelves" increases Vendor monthly redemptions. WIC benefits expire at the end of the month and many WIC benefits go unredeemed. When items are closer together, customers shopping for one item will conveniently pick up the other WIC items on the same shelf. WIC shelf labels also help by showing which foods are approved.



Improve the customer shopping experience

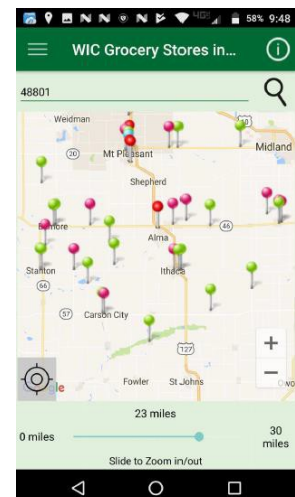
The best way to attract and keep WIC customers is to reliably carry stock for them to redeem their WIC benefits. In general, participants prefer to redeem their benefits at stores where they can complete all of their shopping needs. Thus, Vendors may find it helpful to carry more than minimum stock so that participants have a variety of products and brands to choose from.

The WIC Connect Mobile App helps customers shop

The Michigan WIC Program has launched **WIC Connect**. WIC Connect assists WIC participants with access to clinic support and redeem their food benefits. It can also help them locate authorized stores. The app can be used by WIC participants to:

- Find nearby WIC Vendors;
- View their remaining food benefit balance;
- Scan UPCs to verify WIC eligibility; and
- Access WIC resources.

Please email the Vendor Relations Unit at mdhhs-wicvendor@michigan.gov or call at (517) 335-8937 for additional door decals, shelf labels, or other materials.



8.7 Marketing Strategies & Materials

WIC Shelf Labels

This WIC shelf label is 4" width x 1" height. This label is made from a firm but flexible cardstock, designed to fit on standard shelving. The labels are framed with a bright green border along with a bright purple Michigan WIC logo on white space. The bright colors and easy recognizability of this label is meant to allow shoppers to easily discern WIC approved products. The white space may be used for Vendors to write the product name, price, and/or other information.



WIC Door Signs

These adhesive signs may be placed on doors and windows to show the public that you are an authorized WIC Vendor.



WIC Floor Signs

This is a large, adhesive-backed sign that is designed to be placed on the floor to intuitively direct WIC customers to a store location with WIC foods. This may be used to point shoppers toward a section or aisle with WIC foods. This is especially good for showcasing a store's WIC shelves.

8.7 Marketing Strategies & Materials

WIC CONNECT MOBILE APP



Features Include:

1. Find nearby WIC vendors
2. Monitor WIC benefits and view WIC shopping list
3. Scan UPCs to identify WIC approved items
4. Access WIC resources, including the Food Guide



Additional Features:

- Look up contact information for local WIC clinics
- Request appointments and receive reminders
- Enter and update contact information
- Email State of Michigan with questions and/or concerns

Download on the App Store



GET IT ON Google Play



WIC Connect Mobile App Window Cling

This sign has adhesive siding to allow it to stick directly to a clear surface. This is recommended for posting near the register or the checkout lane to inform participants that the MI-WIC Connect Mobile App may be downloaded to their phones. This app is useful for customers to check their own WIC balance or scan item barcodes directly from their phones to see if the items are eligible for WIC purchase. Giving WIC customers an assurance that they have the correct items before checkout can prevent issues at the register. This promotes customer satisfaction and makes everyone's job easier at the store.

8.7 Marketing Strategies & Materials



“Let WIC Buy” Marketing Poster w/ tear pads

These “Let WIC Buy” posters showcase that your store is a WIC authorized store. The tear pads that are placed on the green square are filled with information that help shoppers understand that they may also be eligible for WIC as well as steps for applying. Promoting WIC at your store can develop a customer base and customer loyalty. Promoting the WIC program benefits your store as a WIC Vendor.