

WIC Vendor Unit
Nutrition
Services Branch

VENDOR ROUTINE MONITORING

Objectives

What is routine monitoring?

Monitoring in the Crossroads System

Basic components of monitoring

Minimum inventory requirements

Documenting monitoring findings correctly

What is Routine Monitoring?

- Unannounced, on-site visits to authorized vendors as a means to check compliance with WIC Program regulations
- Required by federal regulations
- Supports integrity of the WIC Program and protects against fraud
- Completed by Local WIC Agency staff



Basic Components of Monitoring

- Check pharmacy services for exempt infant formulas, where applicable
- Review invoices/receipts for infant formula sources
- Review vendor procedures for eWIC and split tender transactions



Basic Components of Monitoring

- **NEW:** Ensure eWIC equipment accessibility and compliance with minimum lane coverage criteria
 - [7 CFR 246.12(z)(2)]
- Review quality of service and treatment of WIC customers
- Assure required minimum inventory is available, fresh and clearly marked with shelf price



North Carolina Department of Health and Human Services
 Division of Public Health • Women's and Children's Health Section
 Nutrition Services Branch, WIC Vendor Unit
 MSC 1014 Raleigh, NC 27609-3214

WIC VENDOR MONITORING REPORT

Program No. _____ WIC Program Name (no abbreviations) _____ WIC Vendor Name & Store # _____
 Vendor Number _____ Date of Visit _____ Current Store Manager's Name _____

Pre-Authorization Routine
 Second Pre-Authorization Follow-up
 Special Request

The 5 Different Types of Monitoring Visits

1. Pre-authorization
 - Only type of monitoring visit that is announced
2. Second Pre-authorization
3. Routine
4. Follow-up
5. Special Request

1. Pre-authorization

Retail Vendors complete sections:

- I. Pharmacy Services, when applicable
- II. Infant Formula Source(s)
- III. Vendor Procedures (review only)
- IV. eWIC Equipment
- V. Inventory
- VII. Findings

Pharmacy Vendors complete sections:

- I. Pharmacy Services
- II. Infant Formula Source(s)
- III. Vendor Procedures (review only)
- IV. eWIC Equipment
- VII. Findings

2. Second Pre-Authorization

- Hold the first Pre-Authorization monitoring report if vendor applicant fails
- Complete the second Pre-Authorization monitoring report within 14 days
- Mail both reports at the same time to the State WIC Agency



3. Routine

Routine Monitoring Requirements:

- Monitor at least 1/3 of all vendors each year
- Each vendor must be monitored at least once every 3 years
- Annual monitoring is required for vendors with 2 or more occurrences of any violation/sanction in the previous year or a recent disqualification
- New vendors by the end of the following Federal fiscal year must be monitored

! Note: Mail reports within 2 days of monitoring visit

3. Routine

Note Regarding Sanctions:

- Sanctions (each occurrence of a violation) remain on a vendor's record for 1 year after the date of visit.
 - If you monitored store XYZ on April 15th last year and they passed the monitoring visit, **do not** monitor the store before April 15th this year
 - Important if they had any sanctions last year, prior to the clean visit
- As a general rule, monitor a year plus a day after the last monitoring visit.
 - In certain instances, there are exceptions to this rule, especially as the date approaches September 30th. For further explanation, contact your Vendor Consultant.

4. Follow-up Monitoring

- Follow-up when deficiencies are found
- Complete within 21 days
 - If follow-up cannot be done, document in vendor's record
- Continue until vendor has no deficiencies or reaches the point of disqualification
- **DO NOT** complete a follow-up monitoring visit for a vendor before receiving a copy of the Notice of Violation (NOV) for the prior visit. If you do not receive a copy of NOV letter within two weeks of sending the monitoring report to the State Office, contact your Vendor Consultant.

4. Follow-up Monitoring

- If a vendor reaches the point of disqualification:
 - **DO NOT** continue to go back for additional monitoring visits
 - The Nutrition Services Branch will request participant hardship information
 - Vendor may be disqualified or be assessed a civil money penalty



5. Special Request Monitoring

Must monitor within 7 days when requested by Nutrition Services Branch

Monitoring Toolbox Items

- Official agency name badge
- Clipboard
- **Current year** WIC Vendor Monitoring Report
- Blank WIC Vendor Information Update forms
- Supply of NC WIC Vendor Transaction Guides
- Approved Infant Formula Source List
- State Vendor Consultant's phone number
- Your business card or contact information
- Copy of instructions for completing Monitoring Report

Stop!



8 Steps to a Successful Monitoring

- 1

Prepare as much of the monitoring report in your office and check for accuracy
- 2

Take your monitoring "toolbox"
- 3

Check in with manager and ask for formula receipts
- 4

Accurately complete Section V, the inventory check, on page 2 of the report.

8 Steps to a Successful Monitoring

- 5

Review formula receipts and document findings in Section II.
- 6

Discuss findings with manager and complete Section VI: Quality of Service
- 7

Complete and sign Section VII: Monitoring Visit Findings
- 8

Mail report to State WIC Agency within 2 days of visit

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<p>WIC Vendor Monitoring Report</p> <p>Program No. _____ WIC Program Name (see instructions) _____ WIC Vendor # _____</p> <p>Vendor Name _____ State of Utah _____ (Change from Missouri) _____</p> <p>1. PROVIDER'S REVIEW OF FORMS (check appropriate) Form number (provide complete page number) Vendor signs in report through Provider unless 12 or 14 states of report show Local WIC Agency _____ Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable</p> <p>2. STATE FINDINGS AND RESULTS (see sample of report for language) Approved vendor (signature) _____ Not approved vendor (signature) _____ <input type="checkbox"/> Vendor signs in provider unless Vendor accepts findings</p> <p>3. VENDOR PROXY REVIEW (Vendor Statement) <input type="checkbox"/> Current provider for WIC transactions <input type="checkbox"/> Current provider for split vendor transactions (provide their date the participant authorized representative of proxy for the difference when a split or separate provider accepted the role as the WIC proxy) <input type="checkbox"/> Provider for separate proxy participant and WIC transactions</p> <p>4. WIC REPRESENTATIVE (see instructions for details on this page) <input type="checkbox"/> Name for separate proxy is required WIC, as indicated in the WIC proxy report Name of WIC WIC representative _____ <input type="checkbox"/> Name, address and contact information _____ <input type="checkbox"/> Email address and contact information _____</p> <p>5. STATE FINDINGS FOR WIC AND TRANSPORTATION (see page 2) WIC representative _____ <input type="checkbox"/> Name, address and contact information _____ <input type="checkbox"/> Email address and contact information _____</p> <p>6. STATE FINDINGS FOR WIC AND TRANSPORTATION (see page 2) <input type="checkbox"/> Name, address and contact information _____ <input type="checkbox"/> Email address and contact information _____</p> <p>7. STATE FINDINGS FOR WIC AND TRANSPORTATION (see page 2) <input type="checkbox"/> Name, address and contact information _____ <input type="checkbox"/> Email address and contact information _____</p> <p>8. STATE FINDINGS FOR WIC AND TRANSPORTATION (see page 2) <input type="checkbox"/> Name, address and contact information _____ <input type="checkbox"/> Email address and contact information _____</p> <p>9. STATE FINDINGS FOR WIC AND TRANSPORTATION (see page 2) <input type="checkbox"/> Name, address and contact information _____ <input type="checkbox"/> Email address and contact information _____</p> <p>10. STATE FINDINGS FOR WIC AND TRANSPORTATION (see page 2) <input type="checkbox"/> Name, address and contact information _____ <input type="checkbox"/> Email address and contact information _____</p>	<p>3. MONITORING VISIT FINDINGS (complete Section V on 2)</p> <p>a. No deficiencies found (Check for the state site assessment in the date. The findings in this report have been determined by both representatives signing the form.) Authorized Vendor Representative _____ Date _____ WIC Vendor _____ Date _____</p> <p>b. Deficiency found (For information/Quality Requirements: verify that the item was completed in the date and that the WIC Vendor document the findings in the report with one plan to fix change. For information/Quality Requirements: verify that the item was completed in the date and that the WIC Vendor document the findings in the report with one plan to fix change. For information/Quality Requirements: verify that the item was completed in the date and that the WIC Vendor document the findings in the report with one plan to fix change. For information/Quality Requirements: verify that the item was completed in the date and that the WIC Vendor document the findings in the report with one plan to fix change. For information/Quality Requirements: verify that the item was completed in the date and that the WIC Vendor document the findings in the report with one plan to fix change.) Authorized Vendor Representative _____ Date _____ WIC Vendor _____ Date _____ Contact # _____ Contact E-mail _____</p>
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Monitoring Free-standing Pharmacies

Complete only Page 1 of the Vendor Monitoring Report

Section V on Page 2 *should not* be completed for free-standing pharmacies

Section I Pharmacy Services

"Vendor agrees to supply exempt formula within 24-48 hours of request from Local WIC Agency."



Document
• Yes
• No
• Not Applicable

Section II Infant Formula Source(S)

- Vendor must provide receipts from an approved infant formula source
- Document 'Approved Supplier,' 'Not Approved Supplier' or 'Vendor Unable to Produce Infant Formula Receipts'
- If vendor is unable to produce infant formula receipts, document when the vendor intends to produce the receipts: Must be within 21days
- If vendor is unable to produce infant formula receipts within 21 days of monitoring visit, it is considered a deficiency, even if no other deficiencies are noted within the monitoring visit



Section III Vendor Procedures

Review the following:

Cashier procedure for eWIC transactions

Cashier procedure for split tender

Procedure for reporting problems with participants and eWIC transactions

Section IV eWIC Equipment

IV. eWIC EQUIPMENT (See criteria listed on back of this page)

Ensure that equipment used to transact eWIC is accessible to the WIC participant

Number of eWIC POS terminals:

Meets minimum lane coverage criteria

Does not meet minimum lane coverage criteria

Minimum Lane Coverage Guidelines for Superstores and Supermarkets

• 1 Point-of-Sale (POS) terminal is required for every \$11,000 in average monthly WIC redemption

• Up to a total of 4 POS terminals or the number of lanes, whichever is less

# Of Terminals	Monthly Redemption Threshold
1	\$0- \$11,000
2	\$11,001- \$22,000
3	\$22,001- \$33,000
4	\$33,001 and above

Minimum Lane Coverage Guidelines for All Other Vendors

- 1 Point-of-Sale (POS) terminal is required for every \$8,000 in monthly redemption total
- Up to 4 POS terminals or the number of lanes in the location, whichever is less

# of Terminals	Monthly Redemption Threshold
1	\$0 - \$8,000
2	\$8,001 - \$16,000
3	\$16,001 - \$24,000
4	\$24,001 & above

Minimum Lane Coverage Exercise

Question

- Vendor has \$80,000.00 in WIC Redemption
- Vendor has 1 cash register
- Vendor has 1 POS terminal
- Does this meet minimum lane coverage criteria?

Minimum Lane Coverage Exercise

Answer

- Yes
 - Vendor meets minimum lane coverage
 - Vendor only has 1 cash register/lane
 - Vendor has 1 POS terminal
- WIC cannot require a vendor to have multiple cash registers/lanes because of their redemption
 - If they had more registers/lanes, up to 4 would have to be eWIC capable

Section V

Documenting Required
Minimum Inventory of
WIC Approved Foods
(Page 2)



2018-2019 Monitoring Report- Page 2

Required Food Item, Size and Quantity		Type	Quantity By Week	Price of Product	Market Type	Shelflife (Days)	Value Exclusion Amount	Expected Food- Type, Size, Quantity, and Exclusion Amount for 12 Weeks of Continued
Fluid milk	2 gallons	Whole fluid gallon						
Cheese	2 packages	1 pound package						
Eggs	2 dozen	Grade A Large White						
Cereals	6 packages total combined	2 types, Min. size: 12-ounce Refer to UPC listing-Whole Grain Only						
Juices	4 containers	Single strength, 64-ounce container						
Juices	4 containers	Single strength, 48-ounce container						
Dried peas and beans	2 packages	1 pound package						
Peanut Butter	2 containers	16 to 18-ounce container						

Minimum Inventory Requirements

Required Food Item, Size and Quantity	Type
Fluid Milk	2 gallons Whole fluid: gallon
	6 gallons Skim/Low Fat fluid: gallon
Cheese	2 packages 1 pound package
Eggs	2 dozen
Cereals	6 packages total combined 2 types, Min. size: 12-ounces Refer to UPC listing-Whole Grain Only
Juices	4 containers Single strength, 64-ounce container
	4 containers Single strength, 48-ounce container
Dried peas and beans	2 packages 1 pound package
Peanut Butter	2 containers 16 to 18-ounce container

Minimum Inventory Requirements Cont.

Required Food Item, Size and Quantity	Type
Infant cereal	6 boxes 8-ounce box
Infant Formula	8 cans Gerber Good Start Gentle, Powder, 11.0 to 14.0-ounces
	4 cans Gerber Good Start Soy, Powder, 11.0 to 14.0 ounces
Infant Fruits & Vegetables	64 ounces 3.5 or 4-ounce container 1 type fruit and 1 type vegetable
Tuna	6 cans 5 to 6-ounce can
Rice	2 packages 14 to 16-ounce package
Bread/Tortillas	2 loaves or packages or 1 loaf and 1 package 16- ounce loaf of bread or package of tortillas
Fruit	10 cans total combined 2 varieties- 14 to 16 ounce can without added sugar, fats, oils or salt
Vegetable	10 cans total combined 2 varieties- 14 to 16 ounce can without added sugar, fats or oils

Inventory Questions

- Do I see the required item?
- Do I see the correct types/varieties?
- Are the items the proper size?
- Do the items have a valid expiration date?
- How many items within date are present?
- Does the number of items meet required minimum inventory?
- Is there a shelf price on the required item?

Is there a shelf price visible?

Price can be on the:

- Shelf
- Display case
- Item itself- **Must be on ALL items**



Documenting Prices

WIC Vendor Name and State: _____ Vendor Number: _____ Date: _____

V. INVENTORY OF WIC APPROVED FOODS

Required Food Item, Size and Quantity	Type(s)	Quantity By Stock	Current Shelf Price Price of Product	Marked Yes/No	Shelflife Yes/No	Value Expiration Dates Yes/No	Expired Foods: Size, Type, Quantity, and any Additional Comments
Flour/whole wheat flour							

• New – Document the price of WIC items

Valid Expiration Date?

- Items may have:
 - A code
 - A date
 - Nothing
- Date, when available, must be valid
- Count only items within valid expiration date toward required minimum inventory
- Check dates prior to counting and documenting inventory



Documenting "Type"

- ▶ Only Fruits, Vegetables, Adult Breakfast Cereals, and Infant Fruits and Vegetables require a "Type" to be documented



- ▶ Remember - Canned Beans (Legumes) are **NOT** a vegetable

Documenting Quantity

Document quantity of approved items on shelf in the "Quantity In Stock" column

- Items must have valid expiration dates only
- Can use "+" system
 - must document "minimum #" then "+"

Example:

- Required Quantity = 4 containers of 64 oz juice
 - Vendor has allowed brands of 3 Orange, 1 Grape, and 2 Apple Juice
 - Document "4+" in "Quantity in stock" column
 - Not necessary to document each flavor individually

Minimum Inventory Requirements Met?

If yes, document the amount in "Quantity in Stock" column

If no, document the deficiency in the "Shortage" column

Required

- 2 types and 10 cans total combination of fruit

In Stock

- 5 cans of peaches

Deficiency

- 5 cans and 1 type

Documenting Quantity and Type Deficiencies

Required

- 2 types and 6 packages Cereal – whole grain only

In Stock

- 4 approved size boxes Honey Kix
- 1 approved size box Cheerios

Deficiency

- 1 box cereal
- write "1" in the shortage column
- It is not necessary to write "box"

**Documenting
Quantity
Only
Deficiencies**


Documenting Expired Foods

Always Document **ALL** 4 components

- Size, Type, Quantity, Date
- Sanctions **cannot** be assessed if a component is missing

If **ALL** items on the shelf are expired

- "—" should be documented in all columns including the "Valid Expiration Date" column and the shortage should be documented
- Document the expired items in the "Expired Foods" column



Documenting Expired Foods Individual Types

If some items on shelf have a valid date and some do not

- "NO" – should be documented in the "Valid Expiration Dates" column
- An occurrence cannot be assessed if "Yes" is documented

Documenting Expired Foods Combined Types

If all of both types counted toward required minimum inventory have valid dates

- "YES" should be documented in the "Valid Expiration Date" column by both types

If some of the same type counted toward required minimum inventory have a valid date and some do not

- "NO" – should be documented in the "Valid Expiration Dates" column
- Document the expired items in the "Expired Foods" column

Section VI Quality of Service

- Discuss the question on the report regarding the service the vendor provides to the WIC customer
- Document any problems, complaints or comments the vendor expresses
- Document if the vendor needs follow-up training
- Document 'Yes' or 'No' on the report based on the vendor's answers

Section VII Monitoring Visit Findings

Section VI-A- 'No deficiencies' found

- Authorized Vendor Representative and the WIC Monitor sign, document their title and date their signature

Section VI-B- 'Deficiencies found'

- Vendor must document their plan and time frame to correct any deficiencies documented on the report in Section B
 - Plan must be written in English
- Authorized Vendor Representative and the Local WIC Agency Monitor sign, document their title and write in the date
- Local WIC Agency Monitor must document their phone number and e-mail address

State Vendor Sanctions

The number of occurrences are documented for each violation

The vendor will receive one occurrence for each violation found during the monitoring visit

**Cannot assess two violations for the same item. Most punitive sanction executed.

A vendor may be disqualified for a certain number of occurrences of a violation. Disqualification periods for violations committed vary.

State Vendor Sanctions

Violations	Disqualification Period
Three occurrences within a 12-month period of failure to stock the minimum inventory	180 days
Three occurrences within a 12-month period of stocking WIC supplemental foods outside of the manufacturer's expiration dates	90 days
Three occurrences within a 12-month period of failure to mark the current shelf prices of all WIC supplemental foods on the foods or have the prices posted on the shelf or display case.	60 days

Local Agency Reminders

- Ensure that the current year's forms are used
- Use your Monitoring Toolbox
- Mail complete reports to the State Office within 2 business days
- Call your Vendor Consultant with questions



Vendor Monitoring Assistance

- Heather Todaro- (919) 707-5738
Heather.Todaro@dhhs.nc.gov
- Jasmine Martin - (919) 707-5748
Jasmine.Martin@dhhs.nc.gov
- Lakia Jones - (919) 707-5747
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- Sue Cheek - (919) 707-5802
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