

**Indiana WIC Program
Policy and Procedure Manual
Vendor Management Section**

Effective March 1, 2019

Definitions	3
Selection Criteria for Vendor Authorization	16
Selection of Pharmacy-Only Vendors	20
Peer Group Assignment	21
Competitive Price Selection Criteria (CPSC)	22
Not-to-Exceed (NTE) Prices	24
Client Access Criteria	26
Minimum Stock	28
Vendor Responsibilities	29
Above-50% (A50) Vendor Responsibilities	30
State Office Responsibilities Towards Vendors	31
Local Agency Responsibilities Towards Vendors	32
Vendor Authorization Process	33
Procedures for Executing WIC Vendor Agreements	35
Vendor Training	38
Approved Products List (APL)	40
Price Look-Up (PLU) Code Mapping	41
Shelf Tags	42
Door Decals	43
Approved Foods Card (AFC)	44
Food Submissions	45
Vendor Manual	46
Vendor Monitoring	47
Identification of High-Risk Vendors	49
Compliance Investigations	52
Inventory Audits	55
Vendor Sanctions	57

Vendor Rights and Appeal Procedure.....	60
Banned Violators	63
WIC EBT Troubleshooting	65
Lost WIC EBT Cards	67
Vendor Complaints Against WIC Clients	68
WIC Client Complaints Against Vendors	69
Vendor Files.....	70
EPPIC Reports.....	71
Formulary Photo Forms	72
Vendor Notices	74
Vendor Management Reviews (VMRs).....	75
New Coordinator/Vendor Liaison Training.....	77
Donations and Grants from Vendors to WIC Program	78
Subpoenas and Search Warrants of Vendor Information.....	79

Indiana WIC Program Indiana State Department of Health

Definitions

1. **Above-50% (A50) vendor:** A vendor who receives more than 50% of overall food sales from WIC business. A50 vendors have additional regulations that must be followed compared to non-A50 vendors.
2. **Administrative Assistant:** A position at Indiana WIC that coordinates and assists with administrative tasks.
3. **Administrative Law Judge (ALJ):** A judge who presides over trials involving administrative law.
4. **Adverse action:** An application of a vendor sanction.
5. **Approved Foods Card (AFC):** A listing of WIC eligible food categories and the associated criteria determining which items can be approved and are not allowed. Hard copies of the AFC will no longer be provided to vendors and are no longer required to be placed at cash registers at vendor locations. An online version is available at www.wic.in.gov.
6. **Approved Products List (APL):** Indiana's master UPC list that the WIC EBT card is programmed to follow. Once a UPC is added to the APL and categorized to a specific category, that UPC is eligible for purchase via the WIC EBT card. Vendors who introduce new or modified items for sale with new UPCs should inform Indiana WIC through the UPC Update Request Form available at www.wic.in.gov. The APL is updated on a regular basis by Indiana WIC, and vendors are required to update their versions of the APL daily.
7. **Approved source:** A wholesaler listed by Indiana WIC as trustworthy for providing infant formulas and WIC eligible nutritionals to WIC vendors. A list of approved sources is maintained under "Formula Wholesalers" at www.wic.in.gov. Vendors can request that additional approved sources are added by emailing WICVendorMail@isdh.in.gov.
8. **Authorized individual** (for vendor agreements): An owner, partner, or corporate officer for a vendor or someone designated by one of the preceding persons.
9. **Banned Violators List:** The list of permanently disqualified owners and vendors from SNAP and/or WIC maintained by Indiana WIC.
10. **Benefits:** The food, formula, and WIC eligible nutritional item quantities that are loaded onto WIC clients' EBT cards.
11. **Business day:** Any day between Monday and Friday.
12. **Cards Not Activated Report:** An EPPIC report that lists the households that fail to activate their WIC EBT card PINs within the month that the card is issued. WIC EBT cards that are not activated cannot be used for WIC EBT purchases.

13. **Cash Value Benefit (CVB):** A fixed-dollar benefit on an electronic benefit transfer (EBT) card which is used by a client to obtain authorized fresh or frozen fruits and vegetables.
14. **Category** (of WIC items): A general type of WIC item that can be issued as a benefit to WIC clients and redeemed by WIC clients at vendor locations. Examples include: cheese, eggs, breakfast cereal, fish, infant cereal, infant fruits and vegetables, infant meats, whole grains, cash value benefit (CVB), contract infant formula, exempt infant formula, WIC eligible nutritionals, yogurt, whole milk, low-fat milk, juice concentrate, and 64 oz. juice. Categories are also called "cats."
15. **Chain vendor:** An individual or group of stores that are owned by the same entity.
16. **Civil money penalty (CMP):** A monetary fine that is imposed upon non-compliant vendors in lieu of disqualification when the vendor is necessary for adequate client access. This differs from a fine because CMPs are only imposed as a substitute for disqualification.
17. **Client:** A recipient of benefits from the Indiana WIC Program. Clients can also be called "participants."
18. **Client access criteria:** Guiding criteria that determine if a vendor is needed for adequate access to WIC eligible foods, formula, and nutritionals based on proximity to other vendors of the same type.
19. **Client access determination:** A decision made using client access criteria to determine if a vendor is needed for client access prior to the denial, termination, or disqualification of a vendor.
20. **Client education letter:** A letter sent to clients to educate them about the violation or potential violation of WIC policies.
21. **Clinic:** The location where WIC clients are assessed for nutritional need and are given WIC EBT benefits.
22. **Communications Specialist:** A position at Indiana WIC that coordinates communication, program materials, and marketing to WIC local agencies, clients, and prospective clients.
23. **Competitive price selection criteria (CPSC):** The criteria used to ensure that new vendors have competitive prices relative to other vendors in their assigned peer groups and that existing vendors cannot raise prices above competitive price relative to other vendors in their assigned peer groups.
24. **Compliance investigation:** A covert, on-site investigation in which a representative of the program poses as a client, parent, proxy, or caretaker of an infant or child client and transacts one or more food instruments (FIs) or CVBs and does not reveal during the visit that he or she is a program representative.
25. **Conduent:** The state's contractor that handles WIC EBT processing. Conduent is able to provide point-of-sale (POS) machines for

processing WIC EBT transactions to vendors who do not have integrated cash register systems. Conduent was formerly known as Xerox.

26. **Conflict of interest:** Any relational or financial interest between a WIC employee, any member of her immediate family, or a business partner with an applicant or current WIC vendor.
27. **Contract infant formula:** A listing of common formulas from a formula manufacturer which has entered into a rebate contract with Indiana WIC to provide formulas at a discounted rate to Indiana WIC.
28. **Coordinator:** A position at WIC local agencies that coordinates the agency's clinic, vendor, financial, and other operations.
29. **Cost containment:** The process and methods used to reduce the amount of redemption costs and administrative costs spent by Indiana WIC and WIC local agencies.
30. **Deactivated item:** An item that was formerly included in the Approved Products List (APL) but has been removed from the APL as a result of policy changes or correcting errors.
31. **Denial** (of authorization): The notification from Indiana WIC that an applicant vendor cannot become WIC-authorized as a result of failing to meet selection criteria.
32. **Disqualification:** A mandatory term of removal from Indiana WIC authorization for a vendor who has committed an incidence or a pattern of vendor violations listed in the Sanction Schedule. Vendors who are disqualified may re-apply for WIC authorization 30 days prior to the end of the term of disqualification.
33. **Door decal:** A door sticker that identifies a store as a WIC vendor. At a minimum, a WIC vendor should clearly display at least one decal at one entrance of the store.
34. **Electronic Benefits Transfer (EBT) card:** A card that acts as a food instrument (FI) for WIC clients to obtain WIC-allowed foods and formulas. Vendors must process WIC EBT cards through a third-party processor (TPP) or Conduent to be eligible to accept WIC business.
35. **EPPIC:** The online system provided by Conduent to Indiana WIC for use in researching household benefits balances, vendor redemption, the Approved Products List (APL), financial settlement information, and various vendor reports.
36. **Exceeded PIN Attempts Report:** An EPPIC report that lists the households that enter 4 or more incorrect PIN attempts within a 24-hour period who are locked out of their WIC card until the PIN is reset or midnight of the same night.
37. **Excessive Card Replacement Client Education Letter:** A client education letter that informs clients that Indiana WIC is aware that the household has requested at least 5 WIC EBT card replacements within

a year's timeframe and that such activity is a potential indicator of fraud.

- 38. **Excessive Card Replacements Report:** A SQL report that lists households that request 5 or more WIC EBT card replacements within a year's timeframe.
- 39. **Federal fiscal year:** October 1 – September 30 of each year. If this manual states "fiscal year" without denoting federal or state, the fiscal year is referring to federal.
- 40. **File Transfer Protocol (FTP) server:** An online server that can store large files that are too large to send over email.
- 41. **Fine:** A monetary amount imposed on a vendor for vendor violations not requiring disqualification. This differs from a civil money penalty (CMP) because a CMP is only imposed as a substitute for disqualification.
- 42. **Food instrument (FI):** A food instrument is the mechanism by which WIC clients make purchases. Indiana WIC now only issues WIC EBT cards as food instruments. Indiana WIC issued WIC checks (paper vouchers) as food instruments in the past.
- 43. **Food Price List (FPL):** A document that food and grocery with pharmacy vendors use to list food, formula, and WIC eligible nutritional prices during the authorization of new vendors.
- 44. **Food submission period:** The period from January 1 – March 31 of each year when food manufacturers may submit brand-specific or non-brand-specific WIC items to Indiana WIC for review and consideration on the upcoming Approved Foods Card (AFC) and/or current or future Approved Products List (APL).
- 45. **Food vendor:** A WIC-authorized vendor who does not have a full-service pharmacy on-site. Food vendors must still provide contract infant formulas as listed in the minimum stock requirements.
- 46. **Formulary photo form:** A form that WIC local agencies must use to assist clients with obtaining the correct special formula or WIC eligible nutritional and to assist vendors with ordering the correct items when such items are purchased from a pharmacy counter rather than from store shelves.
- 47. **Geographic information systems (GIS):** A system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data.
- 48. **Grocery with pharmacy vendor:** A WIC-authorized vendor who maintains minimum stock requirements and sells WIC food while also providing special-order infant formula and WIC-eligible nutritionals through a full-service pharmacy.
- 49. **High-risk vendor:** A vendor that is assessed at least one The Integrity Profile (TIP) indicator during a fiscal year.

50. **In-kind donation:** A donation that provides goods or services instead of money.
51. **Incentive item:** An item provided by an A50 or non-A50 vendor to attract WIC business that is not available to the general public. All incentive items are prohibited by Indiana WIC.
52. **Independent vendor:** A vendor whose ownership only owns one location.
53. **Indiana State Department of Health (ISDH):** The state health agency in Indiana that administers the Women, Infants, and Children (WIC) Program and Commodity Supplemental Food Program (CSFP) for Indiana residents.
54. **Integrated cash register (ICR) system:** A network of cash registers in a store that is capable of processing WIC EBT transactions through a third party processor (TPP). Integrated cash registers must be able to provide a benefit balance prior to WIC purchase and a receipt including the remaining monthly benefit balance to WIC clients. Vendors that do not own integrated cash register systems and are necessary for client access must use point-of-sale (POS) machines to process WIC EBT transactions through Conduent.
55. **International Federation for Produce Standards (IFPS):** An organization that maintains an international standard for Price Look-Up (PLU) codes.
56. **Inventory audit:** A records request or visit by WIC staff to compare current store inventory and documented inventory shown through food, formula, and WIC eligible nutritional invoices with documented WIC sales through EBT transaction records. Vendors who sell WIC items in excess of documented inventory will be sanctioned according to the Sanction Schedule.
57. **Invoice:** A document providing record of the quantity of food, formula, and WIC eligible nutritional items received from a wholesaler. To be counted for inventory audits, invoices must contain the following information:
- a. Name and address of supplier
 - b. Name and address of purchaser
 - c. Date of purchase
 - d. List of items purchased including size, quantity, and price
58. **INWIC:** A management information system (MIS) developed and maintained by 3 Sigma Software to manage WIC EBT information. INWIC is capable of maintaining Indiana's approved products list (APL) and vendor records.
59. **INWIC Clinic Module:** The module within the INWIC management information system (MIS) that administers and guides clinic operations and issues and maintains benefits for WIC clients.

60. **INWIC Mobile App:** A mobile application developed by 3 Sigma Software and Indiana WIC for WIC clients to provide information on upcoming clinic appointments, available benefits, nearby WIC clinics and vendors, and the WIC eligibility of items using a UPC scan feature.
61. **INWIC State Office Module:** The module within the INWIC management information system (MIS) that provides administrative oversight capability to Indiana WIC.
62. **INWIC Vendor Module:** The module within the INWIC management information system (MIS) that stores vendor information and controls vendor authorization status.
63. **Local agency:** The local WIC entity that performs clinic and vendor management operations in a given area and works on behalf of Indiana WIC.
64. **Local grocery chain:** Ownership or franchise of a chain vendor has 5 or less stores in 2 states or less.
65. **Local health department permit:** The license granted by a local health department for stores that meet public health and sanitation guidelines.
66. **Low variance report:** A SQL report that tracks the number of duplicate transactions (same items and same dollar amounts) per vendor.
67. **Manual WIC card entry:** An alternative method for WIC EBT redemption where a vendor manually enters the WIC EBT card number on an integrated cash register (ICR) or stand-beside point-of-sale (POS) device instead of swiping the card at the machine to read the correct card number.
68. **Mass merchandiser:** A retail store carrying large quantities of a variety of products beyond grocery and pharmacy items.
69. **Max price hits report:** A SQL report that tracks the number of times that a vendor exceeds or matches the not-to-exceed (NTE) price on items during a given time period.
70. **Mid-transaction receipt:** A receipt that can be used to verify that the correct WIC items are purchased in a WIC transaction prior to a WIC client's acceptance of the transaction.
71. **Minimum stock:** A listing of minimum quantities of items required for vendors to carry in-store. Minimum stock includes items located in the store but not available on store shelves.
72. **National grocery chain:** Ownership or franchise of a chain vendor has 20 or more stores in 5 states or more.
73. **New Coordinator/Vendor Liaison training:** The training provided by State Vendor Consultants to their region's newly appointed local agency Coordinators and Vendor Liaisons. This training must be scheduled by the State Vendor Consultant within 2 months of the Coordinator's or Vendor Liaison's start date.

- 74. **New vendor training visit:** The comprehensive WIC orientation that is presented to applicant vendor staff at some time following a successful pre-authorization visit.
- 75. **Not-to-Exceed (NTE) price:** The calculated maximum price for an item in a peer group based on the average price among a WIC vendor and its peers in a peer group with an additional 15% added. For example, an item with a \$1 average price would have a NTE price of \$1.15.
- 76. **Nutrition Services Consultant:** A position at Indiana WIC that oversees local agency clinic operations and state client and nutrition policy.
- 77. **Office of Legal Affairs (OLA):** An office within the Indiana State Department of Health (ISDH) that assists with legal interpretation and represents Indiana WIC in vendor appeal legal cases.
- 78. **Office working day:** A full business day where a State Vendor Consultant is in-office and is not traveling.
- 79. **Outlying item:** A WIC item only redeemed by one vendor and/or 5 or less times overall in a calendar month.
- 80. **Pattern of abuse:** Two or more incidences of a severe vendor violation or two calendar months or more of claiming reimbursement in excess of documented inventory as listed in the Sanction Schedule within a three-year period.
- 81. **Peer group:** A group of WIC vendors compared together to determine NTE prices.
- 82. **Personal Identification Number (PIN):** The unique 4-digit number selected by WIC clients to authorize transactions on their WIC EBT cards. WIC clients may share their PINs with trusted individuals. Vendors may not ask for additional identification from a WIC client beyond their PIN.
- 83. **Pharmacy-only vendor:** A pharmacy vendor that is only authorized to conduct WIC transactions for infant formula and WIC eligible nutritionals. Pharmacy-only vendors must fill out a Pharmacy Price List (PPL) for consideration during the new vendor application process.
- 84. **Pharmacy Price List (PPL):** A document that pharmacy-only vendors use to list formula and WIC eligible nutritional prices during the authorization of new vendors.
- 85. **Point-of-sale (POS) device / machine:** A stand-beside device that can process WIC EBT transactions when a vendor does not have an integrated cash register system. POS machines are provided to vendors based on a formula derived from overall food sales and monthly WIC sales.
- 86. **Point-of-sale (POS) provider:** The company that maintains and provides cash register equipment to vendors. Large chains often

maintain their own cash register equipment. Small chains and independent vendors often use a contractor as a POS provider.

87. **Pre-authorization visit:** A visit to a prospective WIC vendor prior to authorization to ensure that the WIC vendor will meet minimum stock requirements and plans to comply with WIC vendor policies.
88. **Price Check Form:** A form that provides an overview of a vendor's WIC item pricing that must be completed during routine monitoring visits and attached to monitoring forms.
89. **Price Look-Up (PLU) code:** A 4, 5, or 6-digit code used to identify and price fresh produce items. Indiana WIC uses the International Federation for Produce Standards (IFPS) PLU code classification. The PLU code 4469 is a generic PLU code available for fresh produce purchased through WIC EBT cards.
90. **Price Look-Up (PLU) mapping:** The process of mapping or linking Price Look-Up (PLU) codes for fresh produce items affixed with Universal Product Codes (UPCs) to the relevant PLU code. When the UPC is scanned by a cashier, the PLU code should also be read by the cash register. Fresh produce can be mapped to either the product-specific PLU listed by the International Federation for Produce Standards (IFPS) or the generic WIC PLU 4469.
91. **Profit margin:** The percentage of the difference between the item price charged by a vendor to the WIC client or any other shopper and the vendor item's cost from the vendor's wholesaler, divided by the item price charged by the vendor.
92. **Program booklet:** The booklet provided to WIC clients to guide them on following WIC policies and shopping for WIC items at vendor locations. The booklet is designed by Indiana WIC and provided to local agencies to distribute to clients.
93. **Random number generator:** A system or device that can provide a randomly generated number within a defined range of numbers.
94. **Re-contracting:** The period between May 1 and September 1 every three (3) years when existing WIC vendors must reapply for WIC authorization with Indiana WIC. Vendors who are reauthorized during this period will receive contracts valid from October 1 of the current contracting year through September 30 of three years in the future.
95. **Regional grocery chain:** Ownership or franchise has 6 or more stores in 1 state or more.
96. **Requested price:** The monetary amount that a vendor requests from Conduent or the vendor's third-party processor (TPP) in reimbursement for each individual WIC item.
97. **Rural-urban commuting area (RUCA) code:** A code given by the Economic Research Service (ERS) of the United States Department of Agriculture (USDA) to determine the rural or urban status of a particular postal zip code.

98. **Sanction Schedule:** The listing and schedule of sanctions resulting from Indiana WIC vendor violations.
99. **Sanitation report:** A report from a local health department that describes the cleanliness of a vendor's store.
100. **Selection criteria:** The criteria used by Indiana WIC to ensure that vendors will provide adequate service to WIC clients and adequately comply with WIC policies.
101. **Settled price:** The monetary amount that the vendor receives from Indiana WIC via Conduent or the vendor's third-party processor (TPP). The settled price is the lesser of the requested price and the not-to-exceed (NTE) price per WIC item.
102. **SharePoint:** A Microsoft product that enables organizations to host a restricted access online site to share information and improve workflows.
103. **Shelf tag:** An Indiana WIC-provided or approved label that is affixed on a vendor's store shelves to distinguish WIC eligible items from non-WIC items. Vendors who print and maintain their own WIC shelf tags must gain approval from Indiana WIC before implementation.
104. **Special order formula:** An infant formula or WIC eligible nutritional that must be ordered through a pharmacy instead of purchasing from a store shelf at a vendor location.
105. **Stand-beside device / machine:** A point-of-sale (POS) device that can process WIC EBT transactions when a vendor does not have an integrated cash register system. Stand-beside devices are provided only if a non-integrated vendor is required for adequate client access. Stand-beside devices are provided to vendors based on a formula derived from overall food sales and monthly WIC sales.
106. **Standard deviation:** A value that is calculated to indicate the extent of deviation within a group. For Indiana WIC, standard deviation is used as part of the competitive price selection criteria (CPSC) to determine if a vendor's prices deviate too much above other similar vendors for WIC vendor authorization.
107. **State fiscal year:** July 1 – June 30 of each year.
108. **Store Tracking and Redemption System (STARS):** A USDA online system that provides SNAP license and compliance information for all SNAP-authorized retailers and organizations.
109. **Structured Query Language (SQL):** An Oracle software that stores databases and can provide specified data queries based on coding commands.
110. **Sub-category** (of WIC items): A specific type of WIC item within a general category that can be issued as a benefit to WIC clients and redeemed by WIC clients at vendor locations. Examples include: peanut butter, tuna, salmon, whole wheat bread, Gerber Gentle

powder, whole milk gallons, soy milk, etc. Sub-categories are also called "subcats."

111. **Suggested retail price (SRP):** The price given by a food, formula, or WIC eligible nutritional manufacturer or wholesaler as the recommended retail price for an item. This may be listed on an invoice, order form, or manufacturer price list.
112. **Supplemental Nutrition Assistance Program (SNAP):** A program funded by the Food Nutrition Service (FNS) of the United States Department of Agriculture (USDA) to provide nutrition assistance to low-income individuals and families. In Indiana, SNAP is administered by the Indiana Family and Social Services Administration (FSSA). SNAP has a lower income eligibility and less nutritional restrictions than WIC. SNAP also does not have gender or age limits.
113. **Suspension:** A defined amount of time that the vendor is unable to accept WIC transactions as a result of vendor sanction(s). Suspensions only result as reduced disqualification periods from negotiations between Indiana WIC and vendors on vendor appeals or the ruling of an Administrative Law Judge.
114. **Termination:** Removal of the vendor from WIC authorization. There is no defined waiting period for vendors to reapply for WIC authorization after termination occurs.
115. **The Integrity Profile (TIP) indicator:** An indicator of potential vendor fraud as specified by USDA for use in compiling the TIP Report. Indiana WIC has set its own criteria for when vendors display behavior that qualifies them as eligible for TIP indicator assessment.
116. **The Integrity Profile (TIP) Report:** A report that Indiana WIC and other state WIC programs must submit to USDA each fiscal year that describes vendor information and program integrity activities (e.g., vendor monitoring, compliance investigations, and inventory audits) conducted in the most recent fiscal year.
117. **Third party processor (TPP):** A financial institution that processes WIC EBT transactions for a vendor or vendor chain and submits transactions for payment to Indiana WIC.
118. **United States Department of Agriculture (USDA):** The federal agency that oversees the Women, Infants, and Children (WIC) Program, the Supplemental Nutrition Assistance Program (SNAP), and other food, nutrition, and agricultural programs that benefit residents of the United States.
119. **Universal Product Code (UPC):** A multi-digit code affixed to food, formula, and WIC eligible nutritional items with a barcode. The Indiana Approved Products List (APL) contains a comprehensive listing of all WIC eligible UPCs and permits WIC EBT transactions.
120. **Universal Product Code (UPC) Update Request Form:** A Word document to request that UPCs are added to the Indiana Approved

Products List (APL) that can be found on the Vendor Information webpage at www.wic.in.gov.

121. **Vendor:** A sole proprietorship, partnership, cooperative association, corporation, or other business entity operating one or more stores authorized by Indiana WIC to provide authorized supplemental foods to clients under a retail food delivery system.
122. **Vendor Agreement:** The contract between a vendor and its WIC local agency permitting WIC transactions to occur at the vendor location.
123. **Vendor Application:** A form to provide location, economic, permit, wholesaler, ownership, compliance, and cash register information for all new WIC vendor applicants and for existing WIC vendors during re-contracting.
124. **Vendor authorization:** The process of authorizing a vendor to accept WIC transactions after review of vendor application materials, completion of administrative tasks, and execution of a vendor agreement.
125. **Vendor Consultant:** A position at Indiana WIC that assists WIC clients and local agencies with vendor relations, processes vendor applications, assesses vendor compliance with WIC policies for their geographic region, and performs other administrative tasks.
126. **Vendor education letter:** A letter educating the vendor that a violation is occurring. Education letters are only sent for minor violations that do not result in serious sanction. Education letters are meant to improve vendor processes. Education letters are worded less strongly than warning letters.
127. **Vendor Liaison:** A position at WIC local agencies that oversees vendor management activities for vendors in the area. Local agency Coordinators can choose to assume the role of Vendor Liaison or designate the role to another staff person. Vendor Liaisons may hold other roles and perform other duties within a local agency.
128. **Vendor Management Review (VMR):** A local agency site visit conducted by a State Vendor Consultant to determine local agency compliance with state vendor management policies. This review is mandated by USDA.
129. **Vendor Manager:** A position at Indiana WIC that manages all Vendor Consultants, oversees vendor policies, and performs other program integrity and administrative tasks.
130. **Vendor Manual:** The current document that provides comprehensive WIC vendor policy information for WIC vendors.
131. **Vendor Monitoring Form:** A form used by WIC staff to check WIC policy compliance by vendors while visiting stores. These forms include sections concerning minimum stock, shelf tags, shelf prices, door decals, and other vendor policies.

- 132. **Vendor monitoring visit:** An overt, on-site store visit performed by an authorized WIC agent. This visit includes, but may not be limited to, interviews with store personnel, verification of stock on hand (including quantities, use dates, and selection), general store cleanliness, and review of the store's WIC records.
- 133. **Vendor notice:** An official notice sent to all vendors and posted online by Indiana WIC concerning information that is relevant for WIC vendors.
- 134. **Vendor sanction:** A consequence given to a vendor for being assessed a vendor violation.
- 135. **Vendor training:** A presentation given by WIC local agencies to vendors to provide updates on WIC policy changes and to provide comprehensive information on the WIC Program. New vendors must be trained prior to authorization. All vendors must receive mandatory vendor training in September each year. Local agencies also must offer optional vendor training in March each year.
- 136. **Vendor violation:** A category assigned to a vendor who violates WIC vendor policy.
- 137. **Violation point:** A value associated with each vendor violation that notes the severity of the violation and acts as one criterion for achieving TIP indicator R.
- 138. **Waiver** (of minimum stock): An exception granted to a WIC vendor on carrying minimum stock as a result of historical WIC sales information, the desires of WIC customer bases, or ethnic or religious cultural considerations.
- 139. **Warning letter:** A letter that warns vendors about a documented occurrence of violation of WIC policies. Warning letters state that future occurrences of vendor violations can result in more serious consequences.
- 140. **WIC check:** A paper check or voucher that previously noted the specific WIC items that a client could purchase at any one transaction. Indiana WIC completely transitioned from the use of WIC checks to the current WIC EBT cards when WIC EBT rollout completed in December 2016.
- 141. **WIC EBT certification:** A procedure conducted by Conduent and Indiana WIC to determine if a vendor's integrated cash register (ICR) system can successfully accept WIC EBT transactions fully. Level 1 (L1) and Level 2 (L2) certifications involve user acceptance testing (UAT) conducted by the vendor and Conduent. Level 3 (L3) certifications involve performing a live or phone transaction with a vendor that includes at least one fresh produce and non-produce item.
- 142. **WIC EBT Troubleshooting Guide:** A document that local agencies should fill out and send to Indiana WIC when clients have difficulty with completing a WIC EBT transaction that cannot be fully fixed

during checkout. Indiana WIC will research the issue(s) associated with received WIC EBT Troubleshooting Guides and provide a response to the local agency.

- 143. **WIC eligible nutritionals:** A term for WIC-approved foods formerly known as medical foods.
- 144. **Withdraw** (from authorization): A vendor's voluntary act of removing itself from Indiana WIC authorization. Vendor decisions to withdraw from WIC authorization require 15 days advance notice to Indiana WIC. Vendors may not withdraw from authorization to avoid facing vendor sanctions.
- 145. **Women, Infants, and Children (WIC) Program:** A program administered by individual states and funded by the United States Department of Agriculture (USDA) to provide targeted supplemental nutrition assistance to pregnant women, recent mothers, and children under the age of 5. In Indiana, WIC is administered by the Indiana State Department of Health (ISDH).

**Indiana WIC Program
Indiana State Department of Health**

Selection Criteria for Vendor Authorization

Policy

New vendors can apply for WIC authorization at any time. Authorized WIC vendors must submit vendor application materials once every three years for Indiana WIC vendor selection. The processing of applications for this “re-contracting” begins May 1 and ends September 1 every three years.

Authority

CFR 7.B.II.A §246.12.g

Procedure

1. Evaluate Vendor Application and Food or Pharmacy Price List
 - a. The Vendor Application and Food or Pharmacy Price List from new vendors must be accurate and complete. There is no deadline for new vendors to submit these materials.
 - b. During re-contracting, the Vendor Application must be accurate, complete, and received between May 1 and September 1 in order to be considered. A Food or Pharmacy Price List is not necessary for re-contracting.
2. Applicant must be the best qualified based on the following selection criteria
 - a. There may be no conflict of interest between the vendor and local or state WIC staff.
 - b. Food vendors must participate in the SNAP Program and provide a SNAP number. Pharmacy-only vendors may participate in WIC without a SNAP number.

- c. None of the store's current owners, officers, or managers have been convicted of or had a civil judgment entered against them in the past 6 years for the following conduct demonstrating a lack of business integrity:
 - i. Fraud
 - ii. Antitrust violation
 - iii. Embezzlement
 - iv. Theft
 - v. Receiving stolen property
 - vi. Forgery
 - vii. Bribery
 - viii. Falsification or destruction of records
 - ix. Making false statements or claims
 - x. Obstruction of justice
- d. Letter "c" can be waived if it is determined that denying or terminating the WIC vendor would result in inadequate client access to WIC foods, formulas, or WIC eligible nutritionals.
- e. The previous owner must have a satisfactory compliance record with all USDA programs, if related in any way to the applicant.
- f. Food prices must fall within the competitive price selection criteria (CPSC) for the peer group and fall under not-to-exceed (NTE) prices.
- g. The vendor must be open a minimum of eight hours per day, six days per week for a total of 48 hours per week.
- h. Both A50 and non-A50 vendors may not make offers of any kind or any value as an incentive to attract WIC customers unless the offers are also available to the general public.
- i. The vendor must meet minimum WIC stocking requirements with the exception of granted waivers.
- j. All WIC food prices are marked on or near the foods.
- k. WIC foods on the shelves available for sale must be within their fresh date.
- l. Refrigeration and freezers are compliant with ISDH standards.
- m. Satisfactory past WIC and SNAP compliance record must be achieved.
- n. Grocery with pharmacy and pharmacy-only vendors must provide special order infant formula and WIC eligible nutritionals within 2 business days of notice. All vendors must provide contract infant formulas.
- o. Infant formula and WIC eligible nutritionals must be purchased by vendor from an approved source. Vendors CANNOT purchase infant formulas and WIC eligible

nutritionals from other WIC vendors or unapproved sources.
A list of approved sources is available at www.wic.in.gov.

- p. Satisfactory county health department sanitation report and history is maintained.
- q. False information was not submitted on the application.
- r. Store management desires WIC authorization and cooperates during a pre-authorization visit.

3. Pre-authorization store visit

- a. Stores meeting selection criteria will be visited by state or local WIC personnel to check all application, price list, and selection criteria information that is verifiable at the store.
- b. The WIC staff inspecting the store will review the most recent formula invoice on-hand at the store to ensure that the store is acquiring formula from a source approved by Indiana WIC.
- c. If the store fails the pre-authorization visit, the applicant will be notified via written letter from Indiana WIC.
- d. A second visit will be made upon receipt of written notice that deficiencies have been corrected.
- e. Stores that fail a second visit must wait at least one year to reapply.

4. Vendor Authorization

- a. Stores who pass the pre-authorization visit will be authorized as a WIC vendor.
- b. Store ownership or their designated person will sign a WIC Vendor Agreement for the remainder of the current contracting cycle with the store's WIC local agency.
- c. If the store is an integrated vendor, state WIC staff will verify that the store's cash registers can process WIC EBT successfully.
- d. If the store is a POS stand-beside vendor, store ownership will also sign a financial processing agreement with Conduent for WIC EBT transactions. Conduent will provide the POS stand-beside device(s) and install and train store staff on how to use the device(s).
- e. If, after nine months, the store complies with WIC Vendor Agreement requirements and continues to meet vendor selection criteria, the agreement will be extended to the end of the current three-year contracting period.

5. Vendors must continue to meet all selection criteria throughout the authorization period. The WIC Program may modify the selection criteria and may evaluate an authorized vendor's compliance with the selection criteria in effect at any time. Failure to meet selection criteria may result in termination.

Existing vendors are required to submit a new application during each contracting season from May 1 to September 1 every three years. New stores may also apply during this period.

A vendor is authorized for a specific time period and must reapply prior to the Vendor Application deadline date of September 1 to continue on the WIC program. The WIC program is not obligated to renew any vendor's authorization. Authorization to participate can be terminated by the vendor or Indiana WIC by giving at least 15 days written notice to the other party. Authorized vendors must notify Indiana WIC at least 15 days in advance of change of ownership, location, format, or store closure, and within 48 hours of a flood, fire and any interruption of service.

**Indiana WIC Program
Indiana State Department of Health**

Selection of Pharmacy-Only Vendors

Policy

Pharmacy-only vendors will be authorized to participate in the WIC Program only to the extent that their participation is needed to supply special order formula or WIC-eligible nutritionals not available through authorized food stores.

Authority

CFR 7.B.II.A §246.12.g.4.iv

Procedure

1. Pharmacy-only vendors must stock a limited selection of contract formulas as listed in the current Vendor Manual.
2. Pharmacy-only vendors must provide any infant formula or WIC eligible nutritionals within two business days. Business days are defined as Monday through Friday.
3. Pharmacy-only vendors may redeem WIC EBT for infant formula or WIC-eligible nutritionals only. They may not redeem WIC EBT cards for any WIC foods.
4. Pharmacy-only vendors will be authorized only if they meet client access criteria.

**Indiana WIC Program
Indiana State Department of Health**

Peer Group Assignment

Policy

Indiana WIC distributes vendors into peer groups for cost containment based on the vendor's business model and cost comparison.

Authority

CFR 7.B.II.A §246.12.g.4.ii

Procedure

1. The current peer groups are:
 - a. **Pharmacy-Only Vendors** (These vendors do not transact WIC food items.)
 - b. **Independent Vendors and Local Grocery Chains** (Owners or franchise have 5 or less stores in 2 states or less.)
 - c. **Regional Grocery Chains** (Owners or franchise have 6 or more stores in 1 state or more.)
 - d. **National Grocery Chains** (Owners or franchise have 20 or more stores in 5 or more states.)
 - e. **Mass Merchandisers** (Retail stores carrying large quantities of a variety of products beyond grocery and pharmacy items.)
 - f. **Above-50% Stores** (Stores that obtain more than 50% of their food revenue from WIC transactions.)
2. Indiana WIC may change a vendor's peer group placement at any time. Vendors must be notified of any changes.
3. Vendors are able to request information on which peer group they are assigned to.

**Indiana WIC Program
Indiana State Department of Health**

Competitive Price Selection Criteria (CPSC)

Policy

The prices submitted on vendor applications, collected by WIC staff during on-site vendor visits, and collected through WIC EBT are used by Indiana WIC to compare the prices with other stores in the same peer group.

Authority

CFR 7.B.II.A §246.12.g.4

Procedure

1. Indiana WIC uses competitive price selection criteria (CPSC) to ensure that vendors authorized to accept WIC EBT transactions do not increase prices to levels that would make the vendor ineligible for authorization.
2. Vendors who increase prices beyond the acceptable CPSC for their peer group will not be offered contract renewals during the vendor re-contracting period unless determined necessary for client access.
3. Compliance with CPSC will be monitored every six months. Vendors who do not stay within CPSC will be warned and monitored more closely. Vendors who cannot meet CPSC may withdraw from WIC authorization upon the first warning. Vendors who routinely charge over CPSC for one full month after being warned will be disqualified for 3 years.
4. The CPSC for each peer group that redeems WIC foods and formulas is as follows:
 - b. Independent Vendors and Local Grocery Chains: 3.25 standard deviations (SDs) from the average market basket price
 - c. Regional Grocery Chains: 1.5 SDs
 - d. National Grocery Chains: 1.25 SDs
 - e. Mass Merchandisers: 1 SD
 - f. Above-50% Stores: 1 SD
5. The WIC market basket considered for CPSC contains:
 - a. One-pound of cheese
 - b. One dozen eggs
 - c. One ounce of breakfast cereal
 - d. One container of beans or peanut butter
 - e. One ounce of infant cereal
 - f. One ounce of infant fruits and vegetables
 - g. One can of Gerber Gentle powder
 - h. One gallon of 1% or skim milk

- i. One bottle of 64-ounce juice

**Indiana WIC Program
Indiana State Department of Health**

Not-to-Exceed (NTE) Prices

Policy

Indiana WIC prevents vendors from charging more than 15% above their peer group average price per item for cost containment.

Authority

CFR 7.B.II.A §246.12.g

Procedure

1. Indiana WIC places a not-to-exceed (NTE) price on each sub-category of food items that is calculated as 15% above the average price for the vendor's peer group.
 - a. All infant formula and WIC eligible nutritionals are calculated at 15% above the average price for all items in the sub-category.
 - b. All other sub-categories have NTEs calculated at 15% above the average price of the highest-priced item redeemed in the sub-category, with the exception of outliers. Outlying items are those that are only redeemed by one vendor and/or 5 or less times overall in a calendar month.
2. NTE prices are calculated on a monthly basis. INWIC re-calculates on the first Monday between the 4th and 10th day in a month. Indiana WIC can review and adjust NTE calculations within one week from the INWIC re-calculation date.
 - a. The NTEs for eggs and fluid milk can be adjusted on a weekly basis depending upon fluctuations in the national egg and milk market prices.
3. NTE prices are calculated before any discounts or specials are applied by the vendor.
4. Prices that exceed the NTE price will be reduced to the NTE price by Conduent during a WIC EBT transaction.
5. Vendors must charge the price that is listed on shelf tags and that is charged to non-WIC customers.
6. Vendors cannot routinely charge over the NTE amount.
7. Vendors who exceed NTE prices may submit an invoice to Indiana WIC to consider in raising the NTE price. Any NTEs below the suggested retail price (SRP) or a 25% profit margin to the vendor will be raised to the smaller amount of the two.
8. All requests for NTE adjustment require invoices with the following information:
 - a. Name and address of supplier

- b. Name and address of purchaser
- c. Date of purchase
- d. List of items purchased including size, quantity, and price

Indiana WIC Program Indiana State Department of Health

Client Access Criteria

Policy

Indiana WIC will ensure that a sufficient number of WIC vendors are authorized to provide adequate client service to all households.

Authority

CFR 7.B.II.A §246.12.I

Procedure

1. Client access determinations are required before:
 - a. Denying a vendor applicant, except for failure to maintain minimum stock or meet competitive price selection criteria (CPSC).
 - b. Terminating a vendor for vendor violations, except for failure to maintain minimum stock or meet competitive price selection criteria (CPSC).
 - c. Disqualifying a vendor as required by federal law, except for third or subsequent violations or permanent SNAP disqualifications.
2. Inadequate WIC client access to WIC foods or formula will be determined at Indiana WIC's sole discretion when:
 - a. In an urban area, there is no WIC-authorized food vendor located within 5 miles driving distance of the vendor being assessed.
 - b. In a rural area, there is no WIC-authorized food vendor located within 10 miles driving distance of the vendor being assessed.
 - c. In any area, there is no WIC-authorized grocery store with pharmacy or pharmacy-only vendor within 10 miles driving distance of the grocery store with pharmacy or pharmacy-only vendor being assessed.
3. In order to make a client access determination, Indiana WIC will:
 - a. Identify whether the vendor being assessed is located in an urban or rural zip code by rural-urban commuting area (RUCA) code. Zip codes with a RUCA code of 1-3 are considered urban. Zip codes with a RUCA code of 4-10 are considered rural.
 - b. Identify all vendors within a maximum 10 miles driving distance of the vendor being assessed using Google Maps or geographic information systems (GIS).
 - c. Identify if the vendors within a maximum 10 miles driving distance are food, grocery with pharmacy, or pharmacy-only vendors.

- d. Determine the assessed vendor is needed for client access if and only if
 - i. There are no other food vendors located within 5 miles driving distance of a vendor in an urban zip code;
 - ii. There are no other food vendors located within 10 miles driving distance of a vendor in a rural zip code;
 - iii. There are no other grocery with pharmacy or pharmacy-only vendors located within 10 miles driving distance of a grocery with pharmacy or pharmacy-only vendor;
- 4. The result of the client access determination will be shared with the assessed vendor and will be stored in the vendor's record with Indiana WIC.
- 5. If a vendor is determined necessary for client access, the vendor will not be denied, terminated, or disqualified, with the exceptions noted above. Vendors needed for client access may still be fined or given a civil money penalty (CMP).

**Indiana WIC Program
Indiana State Department of Health**

Minimum Stock

Policy

Each food and grocery with pharmacy participating in the WIC Program must meet minimum stock requirements to be authorized.

Authority

CFR 7.B.II.A §246.12.g.3.i

Procedure

1. The minimum stock requirements are based on sufficient quantity of food to redeem typical women's, children's, and infant food prescriptions.
2. Requirements are based on the Indiana WIC Program Approved Foods Card (AFC) that is updated and provided to vendors annually.
3. Please see the most current Indiana WIC Vendor Manual for current minimum stocking requirements and waivers available for those requirements.
4. Noncompliance will not result in an enforcement action if the vendor can demonstrate that any failure to meet the requirements was the result of a natural disaster or actions or decrees of government bodies.
5. WIC will provide one month written notice of any change in the contract formula.

**Indiana WIC Program
Indiana State Department of Health**

Vendor Responsibilities

Policy

Indiana WIC-authorized vendors must follow all WIC requirements.

Authority

CFR 7.B.II.A §246.12.h

Procedure

1. Vendors must follow all stipulations listed in their signed Vendor Agreement the WIC local agency.
2. Vendors must follow all responsibilities listed in the most current Indiana WIC Vendor Manual.

**Indiana WIC Program
Indiana State Department of Health**

Above-50% (A50) Vendor Responsibilities

Policy

Indiana WIC vendors who obtain 50% or more of their total food business from WIC clients must adhere to additional responsibilities as outlined in the Vendor Manual.

Authority

CFR 7.B.II.A §246.12.g.4.i

Procedure

1. Applicant above-50% (A50) vendors must notify Indiana WIC when applying for vendor authorization.
2. A50 vendors must provide additional financial information to Indiana WIC as listed in the most current Indiana WIC Vendor Manual.
3. A50 vendors must maintain competitive prices.
4. A50 vendors cannot provide incentive items to WIC customers that are not available to the general public.
5. A50 vendors must comply with any other regulations listed in the most current Indiana WIC Vendor Manual.

**Indiana WIC Program
Indiana State Department of Health**

State Office Responsibilities Towards Vendors

Policy

Indiana WIC agrees to maintain certain responsibilities towards vendors in the Vendor Agreement signed between the WIC local agency and the vendors.

Authority

CFR 7.B.II.A §246.12

Procedure

1. The State Office agrees to:
 - a. Ensure prompt payment to the vendor's bank account for all properly executed WIC EBT transactions.
 - b. Make price adjustments to not-to-exceed (NTE) prices to ensure that an individual store charging competitive prices (within 15% of its peer group average) is provided with appropriately calculated compensation.
 - c. Provide a daily updated Approved Products List (APL) to WIC vendors.
 - d. Provide point-of-sale (POS) stand-beside devices within federal and state policies and procedures.
 - e. Train stand-beside WIC vendors on proper usage of POS stand-beside devices. English translation services are available upon request.
 - f. Monitor stores to confirm that WIC requirements are being upheld.
 - g. Provide at least 15 days advance notice to vendors prior to the implementation of a new Indiana WIC Vendor Manual.

**Indiana WIC Program
Indiana State Department of Health**

Local Agency Responsibilities Towards Vendors

Policy

Indiana WIC local agencies must complete vendor management activities in their local region as directed by Indiana WIC.

Authority

CFR 7.B.II.A §246.12

Procedure

1. Local Agency Responsibilities
 - a. Contract with local stores as directed by Indiana WIC.
 - b. Conduct vendor training for vendors as directed by Indiana WIC.
 - c. Document and address both vendor complaints against clients and client complaints against WIC vendors.
 - d. Assist Indiana WIC with vendor pre-authorization visits and new vendor training as needed.
 - e. Manage WIC vendors in the local service area as directed by Indiana WIC and with guidance from the assigned State Vendor Consultant.
 - f. Maintain vendor records and documentation as directed by Indiana WIC.
2. Optional Local Agency Tasks
 - a. Complete all vendor monitoring within assigned region. Local agencies who wish to take on this responsibility should contact Indiana WIC for consultation and approval.

**Indiana WIC Program
Indiana State Department of Health**

Vendor Authorization Process

Policy

State Vendor Consultants will ensure that all steps to review vendor application materials, perform site visit activities, issue Vendor Agreements and vendor materials, and communicate new vendors to WIC clients are completed in an accurate and timely manner.

Authority

CFR 7.B.II.A §246.12.g

Procedure

1. Applicant vendors will send Vendor Applications and accompanying Food or Pharmacy Price Lists to WICVendorMail@isdh.in.gov.
2. State Vendor Consultants will review the documents from stores in their assigned region and respond to initial requests within 3 office working days.
 - a. Verify that vendor SNAP number is valid and that there are no active SNAP violations listed in the USDA STARS system.
 - b. Ensure that owners of vendor applicants are not listed on the Banned Violators List.
 - c. Ensure that all applicable fields have been entered on the documents.
 - d. Ensure that all selection criteria have been met.
 - e. Ensure that all vendor prices are below competitive price selection criteria (CPSC) and not-to-exceed (NTE) prices.
 - f. Obtain a copy of a satisfactory sanitation report or local health department permit.
3. State Vendor Consultants will work with vendors to correct any inaccurate information and complete any missing information on vendor application documents by responding within 3 office working days to any follow-up correspondence from vendors.
4. Once vendor application materials are complete and accurate, State Vendor Consultants will schedule and conduct pre-authorization visits and new vendor training with vendor applicants.
 - a. Pre-authorization and new vendor training visits may be conducted by local agency staff.
 - b. Successful pre-authorization visits can be combined with new vendor training on the same site visit.
5. State Vendor Consultants will notify WIC local agencies to issue Vendor Agreements for new vendors.

6. Vendors will return the Vendor Agreements to the WIC local agencies.
 - a. Local agencies will upload the executed Vendor Agreements to the vendor's INWIC record and notify their State Vendor Consultant.
7. State Vendor Consultants will authorize vendors in INWIC using the dates specified on the Vendor Agreements.
 - a. Verify that the INWIC vendor record successfully transmits to Conduent's EPPIC system next-day.
8. State Vendor Consultants will ensure that vendors can successfully process WIC EBT cards.
 - a. Check with integrated vendors' POS provider and third-party processor (TPP) to ensure that cash registers are configured for WIC EBT.
 - i. For individual locations in already authorized chain vendors, contact the corporate office.
 - ii. For new chain or individual vendors to WIC, check if the cash register system, POS provider, and TPP are already authorized by Indiana WIC.
 1. If no, then perform a WIC EBT certification with the vendor by performing a live or phone certification using current certification guidelines.
 2. If yes, then no certification is necessary.
 - b. Provide Conduent banking forms to stand-beside vendors to set up a financial agreement between Conduent and the vendor.
 - i. A Conduent contractor will provide phone-based training to vendor cashiers on how to set up and use the WIC stand-beside device(s).
9. State Vendor Consultants will provide the following materials:
 - a. One set of shelf tags if not already provided by the vendor
 - b. At least one door decal to all newly authorized vendors
10. State Vendor Consultants will inform the local agency to add the new vendor to the list of eligible vendors given to WIC clients.
11. State Vendor Consultants will perform the following administrative tasks:
 - a. Move the vendor application materials to the INWIC vendor file and the designated shared drive and SharePoint folders
 - b. Update the Indiana WIC vendor email list
 - c. Update the Indiana WIC vendor monitoring spreadsheet
 - d. Perform or ask to perform a SQL query that updates the list of authorized vendors for the Indiana WIC website
12. State Vendor Consultants will monitor new vendors within 3 months of the authorization start date.

**Indiana WIC Program
Indiana State Department of Health**

Procedures for Executing WIC Vendor Agreements

Policy

Applicant WIC vendors must sign a Vendor Agreement with their WIC local agency to accept WIC EBT transactions.

Authority

CFR 7.B.II.A §246.12.h

Procedure

1. Vendor Agreement effective and expiration dates
 - a. Vendor Agreements with re-contracted stores are effective October 1 of the current year through September 30 three years later on a Vendor Agreement cycle.
 - b. Newly authorized vendors are given a Vendor Agreement to align with the current Vendor Agreement cycle.
 - i. All new Vendor Agreements will be effective through September 30 of the year that re-contracted store Vendor Agreements expire.
 - ii. If a new vendor becomes authorized during the re-contracting period, the vendor will receive both a Vendor Agreement through September 30 of the current year and a 3-year Vendor Agreement renewal.
 - iii. New vendors authorized during the re-contracting period do not need to submit a vendor application for re-contracting.
 - iv. No Vendor Agreement may exceed 3 years in length.
2. Implementing Vendor Agreements
 - a. The Vendor Agreement is a legally binding agreement for both the WIC local agency and the vendor.
 - b. Vendor Agreements must be signed by an authorized vendor individual, which includes the owner, a partner, a corporate officer, or someone designated by one of the preceding persons.
 - i. Any designated signee must have signed, written authorization to sign Vendor Agreements from an authorized individual.
 - c. The WIC local agency will sign and maintain all Vendor Agreements.
 - d. Vendor Agreements list:
 - i. The time period that the Vendor Agreement is effective

- ii. The type of vendor (food store, grocery with pharmacy, or pharmacy)
 - iii. Waivers on minimum stock requirements
- 3. Executing Vendor Agreements with chain vendors
 - a. The owner of a chain of vendors must submit a separate Vendor Application form for each individual store location. The applications will be individually reviewed and approved or disapproved for authorization.
 - b. New vendors must submit a Food or Pharmacy Price List. The owner of a chain of new vendors may submit one Food or Pharmacy Price List that covers all eligible vendor locations. A Food or Pharmacy Price List is not necessary for re-contracting.
 - c. When more than one store under the same owner has been approved, the WIC local agency will execute a single agreement covering all approved stores of the same vendor type by the same owner in the local area.
 - i. Any stores that operate under a different vendor type (food store, grocery with pharmacy, or pharmacy) must have separate Vendor Agreements in place for each different vendor type. For example, there must be a separate agreement for all Jill's Foods stores without pharmacies and all Jill's Foods stores with pharmacies.
 - ii. If a particular location within a chain has waiver(s) that do not apply to other locations in the chain, a separate Vendor Agreement must be in place for the store with waiver(s).
 - d. The Vendor Agreement must list each individual store location authorized.
- 4. Circumstances which void a Vendor Agreement
 - a. The Vendor Agreement for vendors who are terminated or disqualified from WIC authorization is made void upon termination or disqualification.
 - b. A Vendor Agreement is not transferable. If a vendor changes ownership, goes out of business, or moves location outside of a 5-mile radius of the original location, the Vendor Agreement is void.
 - c. If one or more, but not all store locations, covered under a single Vendor Agreement are terminated or disqualified for any reason, the Vendor Agreement must be amended to remove the newly unauthorized locations.
 - d. A vendor may voluntarily withdraw from participation in the WIC Program. However, Indiana WIC shall not accept voluntary withdrawal as an alternative to an order of disqualification, civil

money penalty (CMP), or to avoid a fine assessment or any other payments due the Program.

Indiana WIC Program Indiana State Department of Health

Vendor Training

Policy

All new WIC vendors must be trained on WIC policies prior to authorization. Authorized vendors must attend a mandatory-attendance training session in September provided by the WIC local agency and may participate in optional online training.

Authority

CFR 7.B.II.A §246.12.i

Procedure

1. Mandatory vendor training
 - a. Indiana WIC will create the vendor training presentation to highlight any Program changes from the previous fiscal year and to describe the basic requirements that vendors must follow.
 - b. The training may be completed in group or individual training sessions.
 - c. The local agency must send training notification letters to all vendors in its service area.
 - d. The local agency must provide all vendors with updated contact information for the local agency during any training session.
2. Frequency of training
 - a. Each authorized vendor must receive comprehensive training on all WIC Program requirements prior to the effective date of their initial WIC Vendor Agreement.
 - b. At least one staff person from all vendors, including pharmacy-only vendors, must attend a mandatory training session held in September of each year.
 - c. Vendors who do not attend their designated mandatory training session must be given at least one alternative training date.
3. Training materials
 - a. The local agency will be given the following materials by Indiana WIC and must distribute the materials to vendors at the time of mandatory vendor training:
 - i. Shelf Tags: Shelf tags are provided for foods specified on the current Approved Foods Card (AFC) to help clients find the correct items. Current tags must be used on the shelf near the item. The WIC logo and the acronym "WIC" are registered with the U.S. Patent and Trademark Office. Vendors may implement their own printed shelf tags after

notifying and receiving the express written consent of Indiana WIC. Vendors with self-printed shelf tags will not receive tags provided by Indiana WIC. Only food and grocery with pharmacy vendors require shelf tags.

- ii. Vendor Manual: Describes in detail all policies, procedures, and responsibilities appropriate to WIC vendors.

4. Documentation of Training

- a. All training activities must be fully documented and kept on file.
- b. The local agency must notify Indiana WIC of the dates, times, and locations of all trainings offered to vendors.
- c. The local agency must document all training attendance in the INWIC Vendor Module.

**Indiana WIC Program
Indiana State Department of Health**

Approved Products List (APL)

Policy

Indiana WIC provides an Approved Products List (APL) electronic file to all WIC vendors to upload into cash registers and use as a guide for WIC and non-WIC eligible items during WIC EBT transactions.

Authority

CFR 7.B.II.A §246.12.h

Procedure

1. Indiana WIC maintains the Approved Products List (APL) via the INWIC State Office Module.
2. The APL is housed on a File Transfer Protocol (FTP) server hosted by Conduent.
3. Vendors are required to upload the APL into their cash registers on a daily basis.
 - a. Vendors who do not update the APL on a daily basis may cause WIC EBT transaction errors.
 - b. Indiana WIC publishes a list of deactivated APL items on SharePoint for local agency access.
 - c. WIC clients that attempt to purchase deactivated APL items on a cash register with an outdated APL may not be able to complete WIC transactions with the deactivated item included.
4. Vendors may submit items for inclusion on the APL by submitting a UPC Update Request Form to Indiana WIC.
 - a. State Vendor Consultants will respond to UPC Update Request Forms within 1 office working day.
5. Vendors submitting multiple items for inclusion on the APL may submit a spreadsheet that includes all necessary information from the UPC Update Request Form to Indiana WIC.
 - a. State Vendor Consultants will respond to multiple UPC requests by one vendor within 3 office working days.
6. WIC clients may submit items for inclusion on the APL via the INWIC Mobile App UPC Scan feature.
 - a. State Vendor Consultants will respond to INWIC Mobile App UPC requests within 1 office working day.

**Indiana WIC Program
Indiana State Department of Health**

Price Look-Up (PLU) Code Mapping

Policy

Vendors are required to use Price Look-Up (PLU) codes to redeem fresh produce for WIC EBT.

Authority

CFR 7.B.II.A §246.12.h

Procedure

1. Indiana WIC does not maintain UPCs for fresh produce items on the Approved Products List (APL).
2. Fresh produce items affixed with UPCs can be redeemed in one of the following ways:
 - a. Enter in the product-specific International Federation for Produce Standards (IFPS) Price Look-Up (PLU) code for the product.
 - b. Enter in the general WIC Program PLU code (4469).
 - c. Map the product-specific IFPS PLU code to an item affixed with a UPC.
 - d. Map the general WIC Program PLU code (4469) to an item affixed with a UPC.
3. Vendors who do not comply with Indiana WIC PLU mapping requirements may be subject to sanctions as listed in the most current version of the Vendor Manual.

**Indiana WIC Program
Indiana State Department of Health**

Shelf Tags

Policy

Indiana WIC will provide WIC shelf tags to vendors to guide clients to foods that are WIC-eligible on vendors' store shelves.

Authority

CFR 7.B.II.A §246.12.j

Procedure

1. WIC shelf tags provided by Indiana WIC will be revised every fiscal year and will be finalized by September 1 each year.
2. New vendors will receive one set of shelf tags at the time of or immediately following WIC authorization.
3. Each local agency will be given an allotment of shelf tags equivalent to the number of stores requiring them during the September mandatory training period. Each food and grocery with pharmacy vendor requiring them should receive one set of shelf tags.
 - a. Pharmacy-only vendors are not required to have shelf tags.
4. Food and grocery with pharmacy vendors may design and implement their own WIC shelf tag identification system if and only if:
 - a. The WIC identifiers are tied to Indiana WIC's Approved Products List (APL);
 - b. The WIC identifiers are visible and clearly understood to WIC shoppers;
 - c. Indiana WIC has given expressed written consent to allow the use of WIC shelf tags.
5. Vendors using self-designed WIC shelf tags should not be given shelf tags provided by Indiana WIC.
6. Vendors may request replacement shelf tags from Indiana WIC at any time.
 - a. If Indiana WIC does not have sufficient shelf tag supply, vendors may print out the shelf tags from www.wic.in.gov.
7. During vendor monitoring visits, WIC staff will check to make sure that Indiana WIC-provided or vendor-designed shelf tags adequately identify WIC-eligible items on store shelves.
 - a. If three or more categories of foods do not have adequate shelf tag coverage, then a shelf tag violation may be assessed against a vendor.
8. Indiana WIC will maintain a running log of available shelf tag stock and the shelf tags sent to vendors and local agencies.

**Indiana WIC Program
Indiana State Department of Health**

Door Decals

Policy

Indiana WIC will provide WIC door decals to vendors to place at store entrances to identify which stores are WIC-approved vendors.

Authority

CFR 7.B.II.A §246.12.g

Procedure

1. New vendors will receive at least one door decal at the time of or immediately following WIC authorization.
2. Vendor staff may request additional door decals from Indiana WIC at any time.
3. During vendor monitoring visits, WIC staff will check to make sure that a door decal is placed on at least one store entrance.
4. Indiana WIC will maintain a running log of available door decal stock and the door decals sent to vendors and local agencies.

**Indiana WIC Program
Indiana State Department of Health**

Approved Foods Card (AFC)

Policy

Indiana WIC will provide vendor access to an Approved Foods Card (AFC) to guide vendor personnel in the foods that are and are not WIC-eligible.

Authority

CFR 7.B.II.A §246.10

Procedure

1. The Approved Foods Card (AFC) will be revised every fiscal year by Indiana WIC and will be finalized by September 1 each year.
2. WIC vendors may access the most current version of the AFC online at www.wic.in.gov.
3. WIC vendors should alert Indiana WIC when an item that is eligible for WIC approval based on the AFC is not listed on the Approved Products List (APL) by submitting a UPC Update Request Form.

**Indiana WIC Program
Indiana State Department of Health**

Food Submissions

Policy

Indiana WIC will collect information on brand-specific food items during the period of January 1 – March 31 every year.

Authority

CFR 7.B.II.A §246.10

Procedure

1. Prior to January 1, Indiana WIC will contact all manufacturers of WIC items that supply Indiana WIC-authorized vendors about submitting brand-specific food items for whole wheat bread, whole wheat tortillas, breakfast cereal, and soy milk.
 - a. Indiana WIC will mandate manufacturers of currently approved brand-specific items submit proof that nutritional criteria will still be met for the next fiscal year.
 - b. Indiana WIC will allow manufacturers to submit new brand-specific items for potential inclusion on the Approved Foods Card (AFC).
2. Manufacturers may submit items for inclusion on the next fiscal year's Approved Products List (APL) and AFC effective October 1.
 - a. At its discretion, Indiana WIC may also ask manufacturers to submit items that Indiana WIC is considering for inclusion on upcoming AFC versions.
3. Indiana WIC will respond to each manufacturer's submission by June 15.
4. Indiana WIC will also allow manufacturers to submit non-brand-specific items during the food submissions period.
 - a. Manufacturers may list these non-brand-specific items on a separate tab in the food submissions spreadsheet.
 - b. Indiana WIC will review and respond to non-brand-specific items as soon as possible.
 - c. Non-brand-specific items will be added to the APL, effective the day after review of the items.

**Indiana WIC Program
Indiana State Department of Health
Vendor Manual**

Policy

Indiana WIC will maintain a Vendor Manual as a reference for all vendors on program requirements, vendor violations and sanctions, the vendor authorization process, and other general information.

Authority

CFR 7.B.II.A §246.12

Procedure

1. Indiana WIC will maintain a Vendor Manual as a reference for all vendors on program requirements, vendor violations and sanctions, the vendor authorization process, and other general information.
2. Indiana WIC may amend the Vendor Manual at any time.
3. Indiana WIC must alert vendors to changes in the Vendor Manual with at least 15 days advance notice.
4. All Vendor Agreements signed by the WIC local agency and any vendor must include the most current Vendor Manual as an attachment.
5. A copy of the Vendor Manual must be given to all vendors who attend mandatory vendor training in September.

Indiana WIC Program Indiana State Department of Health

Vendor Monitoring

Policy

Vendors are monitored to ensure compliance with Indiana WIC policies and procedures. Each vendor will be monitored every 4 years at a minimum.

Authority

CFR 7.B.II.A §246.12.j

Procedure

1. Frequency of monitoring
 - a. WIC staff must monitor a minimum of 5% of assigned vendors once per fiscal year.
 - b. All vendors statewide must be monitored at least once every 4 years.
 - c. Vendors with no vendor violations or documented complaints in INWIC in the past 2 years may be visited once every 4 years.
 - d. Vendors with violations or complaints in the past 2 years must be monitored within 2 years of the last documented violation or complaint.
 - e. Vendors with violation(s) that require a follow-up visit must be monitored within 3 months of the date that the violation(s) were discovered.
 - i. Follow-up monitoring visits need only address the specific violation(s) that were discovered on the previous visit. However, if other violation(s) are discovered, please also document and notify Indiana WIC.
 - f. New vendors must be monitored within 3 months of authorization.
2. Monitoring process
 - a. WIC staff should attempt to conduct the monitoring visit at a time that will limit disruption to vendor staff.
 - i. Avoid visiting vendors in the 3 business days prior to Thanksgiving or Christmas.
 - ii. Avoid visiting vendors on first 5 business days after October 1, the start of each new federal fiscal year.
 - iii. Avoid visiting vendors on Friday afternoons when possible.
 - b. WIC staff should identify themselves to store management prior to inspecting the store and should explain the nature of the visit, the major items to be covered, and the procedures which will be followed. WIC staff should also invite store management to

observe the monitoring visit. Store management are not required to accompany WIC staff during the monitoring visit.

- c. Complete all fields listed on the current Vendor Monitoring Form provided by Indiana WIC. This includes conducting an interview with the highest ranking manager available at the store at the time of visit. This also includes assessing any violations that are listed in the most current version of the Indiana WIC Vendor Manual.
 - i. Please ask for the most recent infant formula invoice to review to ensure that infant formula is being obtained through approved sources. Please note any irregularities that are noticed on the invoice, including missing or inaccurate information. Make a copy of the invoice and attach to the Vendor Monitoring Form. If the vendor cannot produce an invoice, please contact Indiana WIC. Indiana WIC will send a letter requesting invoice records within 15 days of the date that the letter is sent.
 - d. Complete a Price Check Form provided by Indiana WIC and attach to the Vendor Monitoring Form.
 - i. Price Check Forms are not required for follow-up vendor monitoring.
 - e. At the conclusion of the visit, share the results with store management and obtain the signature of a member of store management.
 - f. After completion of the visit by local agency staff, send the Vendor Monitoring and Price Check Forms to Indiana WIC for processing.
 - g. State Vendor Consultants will enter any vendor monitoring activities and violations into the INWIC Vendor Module and will draft any follow-up correspondence to vendors and send to supervisor within 3 office working days.
3. Vendors with adverse actions
- a. Do not conduct a monitoring visit if Indiana WIC is taking action to disqualify or terminate a vendor. If a vendor is contesting a case made against them or hearings are ongoing, then monitoring cannot take place until the case is settled.

Indiana WIC Program Indiana State Department of Health

Identification of High-Risk Vendors

Policy

Identification of high-risk vendors helps to determine which vendors may need additional attention to ensure they are in compliance with program policies.

Authority

CFR 7.B.II.A §246.12.j

Procedure

1. Indiana WIC will maintain a list of criteria for assignment of The Integrity Profile (TIP) indicators provided by USDA for program integrity.
2. Indiana WIC will determine that a vendor is high-risk if assessed any TIP indicators by Indiana WIC.
3. Indiana WIC determines TIP indicator assignment as follows:
 - A = Extremely small amount of variation in food instrument prices
 - Frequent appearance on SQL low variance report
 - Single abnormal incident on SQL low variance report
 - C = Unusually high average food instrument prices
 - Vendors with highest over-NTE as percentage of settled price in SQL quarterly transaction review
 - Vendors with highest over-NTE totals in SQL quarterly transaction review
 - E = Large percent of high-priced food instruments
 - Vendors with most frequent instances of over-NTE prices on SQL max price hits report
 - F = Volume of WIC business
 - Non-regional or national chain vendors who disproportionately accept WIC business based on SQL quarterly or monthly transaction review
 - G = Large increase of dollar volume of food instruments redeemed over time
 - Vendors with largest settled price increase over time on SQL quarterly transaction review
 - Vendors with largest requested price increase over time on SQL quarterly transaction review
 - Vendors with largest settled price increase per transaction over time on SQL quarterly transaction review

- Vendors with largest requested price increase per transaction over time on SQL quarterly transaction review
- J = High WIC to SNAP redemption ratio
 - Vendor appears on most recent available USDA TIP System "Potential A50 Vendors" report
 - Vendor is identified as an above-50% vendor through an alternative method
- L = Participant/other complaints
 - At least one documented complaint in INWIC
 - Only used in conjunction with other TIP indicators
- R = Past history of violations and disqualifications
 - Vendors exceeding 25 current violation points in INWIC
 - Vendors who have received a fine, suspension, CMP, or disqualification in the past 10 years
- S = Associations with known violators
 - Documented incident of association with owners on Banned Violators List or owners with a CMP or disqualification
- U = Short on authorized food items or no inventory
 - Vendors with one or more minimum stock violations in the previous fiscal year
- V = New vendor
 - Any vendor authorized in the previous or current fiscal year
- W = Random selection of vendors
 - Only used when a minimum 5% of total vendors cannot be achieved for compliance investigation/inventory audit
 - Requires assigning each vendor to a unique ID with 1 – X where X is the total number of active vendors
 - Requires using an online random number generator (<https://www.random.org/>) to select as many vendors as needed to achieve 5% rate
- X1 = High percentage of 95% or more of monthly benefits being redeemed within one transaction
 - Vendors with over 10% of transactions containing 95% or more of a household's monthly benefits according to the SQL high benefit redemption per vendor report
- X2 = Transactions taking place during hours when store is closed
 - Vendors with 5 or more transactions taking place in hours when the store is closed for business as stated on the store's vendor application according to the SQL after hours transactions report
- X3 = Documented invoice issue
 - Pre-authorization or monitoring visit in current fiscal year discovers an invoice with unapproved source or invoice with inaccurate or incomplete information

- X4 = Large number of manual WIC card entries
- Vendors with 50 or more manual card entry transactions within a year's timeframe according to the EPPIC manual card entry report
- X5 = Large number of incidents of high milk redemption within one transaction
- Non-regional or national chain vendors who have 10 or more monthly transactions containing 5 milk gallons or more
 - Non-regional or national chain vendors who have any transaction containing 10 milk gallons or more
- X6 = High formula redemption per transaction
- Non-regional or national chain vendors and non-pharmacy vendors who redeem 2 or more formula items per transaction on average according to the SQL monthly transactions by vendor report
4. Indiana WIC may choose not to share which vendors are identified as high-risk with local agencies.

Indiana WIC Program Indiana State Department of Health

Compliance Investigations

Policy

Indiana WIC conducts compliance investigations on a selection of vendors to ensure program integrity.

Authority

CFR 7.B.II.A §246.12.j

Procedure

1. Compliance investigation process
 - a. Indiana WIC must select at least 5% of vendors for compliance investigations each year.
 - i. If more than 5% of vendors are designated as high-risk, then Indiana WIC will identify the most high-risk subset of vendors to meet the 5% minimum criteria.
 1. Vendors will be prioritized for compliance investigation based on the total number of TIP indicators assigned to the vendor.
 2. If there is a tie based on total number of TIP indicators, then the tie will be broken based on the seriousness of the TIP indicators assessed.
 3. Vendor TIP indicators are listed in order of most serious to least serious as follows:
 - a. Tier 1 indicators
 - i. X1 = High percentage of 95% or more of monthly benefits being redeemed within one transaction
 - ii. X2 = Transactions taking place during hours when store is closed
 - iii. X3 = Documented invoice issue
 - iv. X4 = Large number of manual WIC card entries
 - v. X5 = Large number of incidents of high milk redemption within one transaction
 - vi. X6 = High formula redemption per transaction
 - b. Tier 2 indicators
 - i. G = Large increase of dollar volume of food instruments redeemed over time
 - ii. F = Volume of WIC business

- iii. A = Extremely small amount of variation in food instrument prices
 - iv. R = Past history of violations and disqualifications
 - v. S = Associations with known violators
 - vi. J = High WIC to SNAP redemption ratio
 - c. Tier 3 indicators
 - i. C = Unusually high average food instrument prices
 - ii. E = Large percent of high-priced food instruments
 - d. Tier 4 indicators
 - i. U = Short on authorized food items or no inventory
 - ii. V = New vendor
 - iii. L = Participant/other complaints
- 4. If there is a tie based both on total number and seriousness of TIP indicators, then the tie will be broken via a coin toss.
 - ii. If less than 5% of vendors are designated as high-risk, then Indiana WIC will assign a unique ID to each vendor and will use an online random number generator to select as many vendors as needed to achieve the 5% minimum criteria.
 - 1. Vendors selected randomly will be designated with TIP Indicator W.
- b. Indiana WIC will conduct purchases of items with WIC EBT cards using contracted undercover investigators or WIC investigative staff.
- c. The investigator will provide information on the purchase and will note any vendor violations noticed during the store visit on a form provided by Indiana WIC.
- d. The investigator will conduct a minimum of two store visits for each vendor identified for compliance investigation.
- e. If at least one vendor violation is discovered in both of the first two store visits, the investigator will return to the store for a third visit.
- f. The investigator will return to a store for an additional visit until a store visit does not produce any vendor violations or enough evidence has been gathered to produce a disqualification, civil money penalty (CMP), termination, or fine.
- 2. Notification to vendors
 - a. Indiana WIC is not required to notify the vendor about the investigation until the investigation has been completed.

- b. Indiana WIC will not notify vendors about violations that could lead to a disqualification or civil money penalty (CMP) until enough evidence is acquired to determine a pattern of abuse or a store visit results in no violations.
 - c. Indiana WIC will not notify vendors about violations that would not result in disqualification or civil money penalty (CMP) until after the investigation is complete. Minor violations may still take place before major violations are discovered, and Indiana WIC does not want to tip off potentially fraudulent vendors about compliance investigations. However, Indiana WIC will provide at least one warning letter prior to the assessment of a monetary fine for minor violations. After the warning letter is sent, a monitoring visit will take place in the next 3 months. If a repeat violation is discovered, the vendor will be assessed a monetary fine when applicable.
- 3. Notification to local agencies
 - a. Indiana WIC is not required to notify local agencies that compliance investigations are being conducted on vendors in their areas.

**Indiana WIC Program
Indiana State Department of Health**

Inventory Audits

Policy

Indiana WIC conducts inventory audits on a selection of vendors to ensure program integrity.

Authority

CFR 7.B.II.A §246.12.j

Procedure

1. Inventory audit selection
 - a. Indiana WIC is not required to perform inventory audits in any given fiscal year.
 - b. Indiana WIC may perform inventory audits on any vendors displaying any of the "X" TIP indicators or displaying 3 or more of any TIP indicator.
 - c. In the event that several vendors meet the criteria for inventory audits, Indiana WIC may identify the most high-risk subset of vendors based on the number of "X" and other TIP indicators listed.
2. Inventory audit process
 - a. Indiana WIC will conduct records requests to compare current WIC item stock and listed inventory records with previous WIC redemption through available WIC EBT redemption records. The records request may be conducted by WIC staff or contracted investigative staff.
 - i. Vendors will be notified at least 15 days in advance of any inventory audit.
 - ii. At a minimum, the inventory audit will include one type of infant formula. Other WIC sub-categories may be included based on Indiana WIC's discretion and a vendor's redemption patterns.
 - b. If a vendor's inventory records indicate an inventory for any Universal Product Code (UPC) associated with a WIC item that is less than the quantity redeemed on WIC EBT:
 - i. For 2 calendar months or more, then the vendor will be disqualified for 3 years and will be fined equivalent to the excess reimbursement.

- ii. For less than 2 calendar months, then the vendor will be fined equivalent to the excess reimbursement but will not be disqualified.
 - c. If a vendor's inventory records indicate an inventory for a UPC associated with a WIC item that is more than the quantity redeemed on WIC EBT throughout the audit period, then the vendor is not given a vendor violation.
 - d. If a vendor does not meet the first records request deadline, then the vendor will be warned and given an additional 15 days to produce inventory records.
 - i. If the vendor cannot produce the inventory records by the new deadline, the vendor will be fined \$1,000 and will be given an additional 15 days to produce inventory records.
 - ii. If the vendor still cannot produce inventory records by the third and final deadline, the vendor will be assessed violation "Failure to provide inventory records" and will be disqualified for 3 years.
 - e. If a vendor obtains infant formula or WIC eligible nutritional inventory from a source not approved by Indiana WIC, the vendor will be assessed violation "Stocking or purchasing formula from supplier not authorized by WIC."
 - i. All infant formula and WIC eligible nutritionals must be obtained from an Indiana WIC-approved source.
 - ii. If the vendor's records show an unapproved source on a follow-up visit or records request, the vendor will be disqualified for a year.
- 3. Notification to other parties
 - a. Vendors are notified about the results of an inventory audit through a written letter from Indiana WIC.
 - b. Local agencies will also receive a copy of the written letter that is sent to vendors regarding the results of inventory audits.

Indiana WIC Program Indiana State Department of Health

Vendor Sanctions

Policy

Indiana WIC will assess vendor sanctions on authorized vendors as listed in the Sanction Schedule of the most current Indiana WIC Vendor Manual.

Authority

CFR 7.B.II.A §246.12.h and CFR 7.B.II.A §246.12.i

Procedure

1. Sanction process
 - a. Vendor sanctions will be assessed as listed in the Sanction Schedule of the most current Vendor Manual.
 - b. When during the course of an investigation Indiana WIC determines a vendor has committed multiple violations, Indiana WIC will assess the harshest qualifying sanction. However, the department shall include all violations in the notice of adverse action.
 - c. Indiana WIC does not have to provide the vendor with prior warning that violations were occurring before imposing any vendor sanctions, particularly those that require establishing a pattern of violations prior to assessing a sanction.
2. Types of sanctions
 - a. Disqualification: A sanction that disqualifies the vendor from WIC authorization for a set amount of time. Vendors cannot reapply until 30 days prior to the end of the disqualification period. Disqualification periods can range from a permanent period to 1 year in length. Disqualifications can be driven by federally mandated sanctions or state sanctions.
 - b. Civil money penalty (CMP): A monetary penalty that is assessed to a vendor in lieu of disqualification if the vendor is required for adequate client access to WIC items.
 - c. Termination: A sanction that terminates the Vendor Agreement. There is no mandatory time period that a vendor must wait before reapplying after a Vendor Agreement is terminated.
 - d. Suspension: A defined amount of time that the vendor is unable to accept WIC transactions as a result of vendor sanction(s). Suspensions only result as reduced disqualification periods from negotiations between Indiana WIC and vendors on vendor appeals or the ruling of an Administrative Law Judge.

- e. Fine: A monetary amount that is assessed as penalty for improper vendor behavior. A fine may be assessed in combination with a warning or as a substitute for state-directed disqualification or termination.
 - f. Warning letter: A letter warning the vendor that a serious violation is occurring. Warning letters may be sent for a range of violations, including those where repeat occurrences may result in a disqualification, civil money penalty, termination, fine, or additional warning letters.
 - g. Education letter: A letter educating the vendor that a violation is occurring. Education letters are only sent for minor violations that do not result in serious sanction. Education letters are meant to improve vendor processes. Education letters are worded less strongly than warning letters.
3. Entering sanctions on Sanctions screen in INWIC Vendor Module
- a. Overall guidance
 - i. Apply sanctions to the most serious active violation.
 - b. Disqualification
 - i. List disqualification period based on the time period required.
 - 1. List "Disqualification for the period applied by the SNAP program" for reciprocal SNAP disqualifications.
 - ii. List sanction type as "Disqualification."
 - iii. Include start and end dates when necessary.
 - 1. Do not list start and end dates for permanent disqualifications.
 - c. Civil money penalty (CMP)
 - i. List disqualification period as "Civil Money Penalty."
 - ii. List sanction type as "CMP."
 - iii. Include start and end dates.
 - iv. List all fields in "Money" pop-up.
 - d. Termination
 - i. List disqualification period as "Termination of Contract."
 - ii. List sanction type as "Termination."
 - iii. List start date but do not list end date.
 - 1. Vendors do not have a waiting period to re-apply when terminated.
 - e. Suspension
 - i. List disqualification period as "Suspend until issue is resolved."
 - ii. List sanction type as "Suspension."
 - iii. List start date and end date.
 - f. Fine
 - i. List disqualification period as "State fine."

- ii. List sanction type as "State fine."
 - iii. List start and end date.
 - iv. List all fields in "Money" pop-up.
- g. Warning letter
 - i. List disqualification period as "Warning Letter."
 - ii. List sanction type as "Warning letter."
 - iii. List start date as date letter is sent.
 - iv. List end date as date that State Vendor Consultant or local agency Vendor Liaison receives notification that violation(s) have been corrected by vendor.
 - 1. In the event that the vendor does not notify about violation correction(s), list the end date as the date when the follow-up monitoring visit is conducted.
- h. Education letter
 - i. List disqualification period as "Education Letter."
 - ii. List sanction type as "Training."
 - iii. List start date as date letter is sent.
 - iv. List end date as date that State Vendor Consultant or local agency Vendor Liaison receives notification that violation(s) have been corrected by vendor.
 - 1. In the event that the vendor does not notify about violation correction(s), list the end date as the date when the next monitoring visit is conducted.

Indiana WIC Program Indiana State Department of Health

Vendor Rights and Appeal Procedure

Policy

Indiana WIC provides vendors with the right to appeal adverse actions to an Administrative Law Judge (ALJ) to ensure that Indiana WIC policies are being administered properly and fairly.

Authority

CFR 7.B.II.A §246.12.h

Procedure

1. The WIC Program provides vendors the right to appeal, subject to full administrative review, the following adverse actions:
 - a. Denial of authorization based on the vendor selection criteria for competitive price or for minimum variety and quantity of authorized supplemental foods or on a determination that the vendor is attempting to circumvent a sanction.
 - b. Termination or suspension of an agreement for cause.
 - c. Disqualification.
 - d. Imposition of a fine or a civil money penalty in lieu of disqualification.
 - e. Denial of authorization based on the vendor selection criteria for business integrity or for a current Food Stamp Program disqualification or civil money penalty for hardship.
 - f. Denial of authorization based on a State agency established vendor selection criteria if the basis of the denial is a WIC vendor sanction or Food Stamp Program withdrawal of authorization or disqualification.
 - g. Denial of authorization based on the State agency's vendor limiting criteria.
 - h. Denial of authorization because a vendor submitted its application outside the timeframe during which applications are being accepted and processed as established by the State agency.
 - i. Termination of an agreement because of a change in ownership or location or cessation of operations.
 - j. Disqualification based on a trafficking conviction, imposition of a Food Stamp Program civil money penalty for hardship, or for a civil money penalty imposed in lieu of disqualification based on a mandatory sanction imposed by another WIC State agency.

- k. A fine imposed for a one-time or repeated violation of a state sanction.
 - l. The application of the vendor peer group criteria.
 - m. The application of the criteria used to identify vendors that are above-50-percent vendors.
- 2. Full administrative review pursuant to IC 4-21.5, includes, but is not limited to:
 - a. Written notification of the adverse action, the procedures to follow to obtain a full administrative review, the cause(s) for, and the effective date of the action.
 - b. Opportunity to appeal the adverse action within 15 days from receipt of notification of adverse action.
 - c. Adequate advanced notice of the time and place of the hearing.
 - d. Opportunity to present the Vendor's case and opportunity to reschedule the review date.
 - e. Opportunity to cross-examine adverse witnesses.
 - f. Opportunity to be represented by counsel.
 - g. Opportunity to examine, prior to the review, the evidence upon which the adverse action was based.
 - h. An impartial decision-maker, whose determination is based solely on whether, based on the evidence presented at the review, the state agency correctly applied Federal and State statutes, regulations, policies and procedures governing the program.
 - i. Written notification of the review decision, including the basis of the decision, within the time period specified by Federal and State Statutes, regulations, policies and procedures.
- 3. Review decisions rendered under full review procedures are the final State agency action. If the review decision upholds the adverse action against the vendor, the State agency must inform the vendor that it may be able to pursue judicial review of the decision. The applicable review procedures will be provided to a vendor who receives the adverse action. The review procedures are also available on request.
- 4. Indiana WIC will not provide an administrative review for appeals related to:
 - a. The validity or appropriateness of the State agency's vendor limiting or selection criteria, participant access criteria, or participant access determination.
 - b. The State agency's determination to include or exclude an infant formula manufacturer, wholesaler, distributor, or retailer from the list required pursuant to §246.12(g)(11).
 - c. The State agency's determination whether to notify a vendor in writing when an investigation reveals an initial violation for

which a pattern of violations must be established in order to impose a sanction.

- d. The State agency's determination whether a vendor had an effective policy and program in effect to prevent trafficking and that the ownership of the vendor was not aware of, did not approve of, and was not involved in the conduct of the violation.
 - e. The expiration of a vendor's agreement.
 - f. Disputes regarding food instrument payments and vendor claims (other than the opportunity to justify or correct a vendor overcharge or other error.)
 - g. Disqualification of a vendor as a result of disqualification from the Food Stamp Program.
5. Vendors appealing adverse actions must provide a request for appeal in writing within 15 days of the receipt of notice of an adverse action. The appeal must include what action is being appealed and why the reason(s) for the adverse action should be reviewed.
- a. Appeals should be mailed to:
Indiana State Department of Health
Attn: Court Administrator
Office of Legal Affairs
2 North Meridian Street, Section 3H
Indianapolis, Indiana 46204
6. All formal hearings will take place before an Administrative Law Judge (ALJ) in Indianapolis. The hearing will be conducted in an impartial setting in which the State WIC Program, represented by the Office of Legal Affairs, and the vendor represented by an Attorney, if desired, are allowed to fully present their respective cases.
7. The ALJ's decision will be based solely on the oral and documentary evidence presented at the hearing and the statutory and regulatory provisions governing the State WIC Program. The vendor and Indiana WIC will be notified in writing of the hearing decision reached by the ALJ within 90 days of the date of receipt of the request for the hearing. The State will, in turn, notify the local agency of the hearing decision.
8. If the vendor is still not satisfied with the results of the formal hearing, the vendor may request further review as provided for in the written determination made by the ALJ.

Indiana WIC Program Indiana State Department of Health

Banned Violators

Policy

Indiana WIC maintains a list of banned owner and vendor violators who have been disqualified from SNAP or WIC.

Authority

CFR 7.B.II.A §246.12.I

Procedure

1. When Indiana WIC receives notification from SNAP that an Indiana SNAP vendor has been disqualified, Indiana WIC:
 - a. Reviews if the vendor is currently WIC-authorized or applying for WIC authorization;
 - b. Reviews if the owner has other locations that are currently WIC-authorized or applying for WIC authorization.
2. If the vendor or owner has any current authorization with Indiana WIC, Indiana WIC uses client access criteria to make a determination on whether or not the vendor is necessary for client access.
 - a. If the vendor is necessary for client access, then the vendor is assessed a civil money penalty (CMP) as described in the most current Vendor Manual.
 - b. If the vendor is not necessary for client access, then the vendor is assessed a disqualification equivalent to the amount of time that SNAP has assessed.
3. If the vendor or owner has any vendor applications in-progress with Indiana WIC, Indiana WIC uses client access criteria to make a determination on whether or not the vendor(s) owned by the owner are necessary for client access.
 - a. If any vendor(s) are necessary for client access, then the vendor(s) are granted WIC authorization and are assessed a civil money penalty (CMP) as described in the most current Vendor Manual upon the completion of authorization.
 - b. If any vendor(s) are not necessary for client access, then the vendor application(s) are denied.
4. If the vendor or owner does not have any current affiliation with Indiana WIC, Indiana WIC reviews the amount of time that SNAP has assessed the disqualification:
 - a. For any permanent disqualifications, the vendor and owner are placed on the Banned Violators List maintained by Indiana WIC.

Vendors and owners on the Banned Violators List are disallowed from WIC authorization on a permanent basis.

- b. For any less than permanent disqualifications, the vendor and owner will be documented and shared with Indiana WIC staff. The vendor and/or owner may apply for WIC authorization after the SNAP disqualification period has ended.

**Indiana WIC Program
Indiana State Department of Health**

WIC EBT Troubleshooting

Policy

Local agencies should submit documentation to Indiana WIC when vendors and clients are unable to determine why WIC EBT transaction issues occur.

Authority

CFR 7.B.II.A §246.12.h

Procedure

1. When a WIC EBT transaction issue occurs, the client and vendor should perform at least one of the following actions:
 - a. Use the INWIC Mobile App UPC Scan feature to ensure that all items are WIC-approved and available in the client's food package;
 - b. Review the client's benefit balance receipt or mid-transaction receipt to ensure that the client has sufficient benefits for all items;
 - c. Review the client's benefit balance via the phone number on the back of the WIC EBT card to ensure that the client has sufficient benefits for all items;
 - d. Use the client's program booklet to see if all items are WIC-approved;
 - e. Use the Approved Foods Card (AFC) to see if all items are WIC-approved;
 - f. Contact Indiana WIC or WIC local agency for assistance.
2. If the item(s) in question are fresh produce, the vendor should ensure that all Price Look-Up (PLU) code mapping is functioning properly.
 - a. If a fresh produce item with a UPC does not ring up on WIC EBT properly, then the vendor should use one of the following methods to complete the WIC transaction:
 - i. Enter in the product-specific International Federation for Produce Standards (IFPS) PLU code for the product;
 - ii. Enter in the general WIC Program PLU code (4469);
 - iii. Map the product-specific IFPS PLU code to an item affixed with a UPC;
 - iv. Map the general WIC Program PLU code (4469) to an item affixed with a UPC.
3. If the entire WIC EBT transaction fails to process, the client and/or vendor should notify Indiana WIC or the WIC local agency.

- a. When vendors do not update their cash registers with the most updated Approved Products List (APL) on a daily basis, any deactivated items included in the transaction will cause the entire transaction to fail.
 - b. Indiana WIC or the WIC local agency should check to see if any deactivated items are included in the attempted WIC EBT transaction. A list of deactivated items is maintained on SharePoint.
- 4. If any of the above actions or methods fail to present a resolution, the local agency should fill out a WIC EBT Troubleshooting Guide based on information provided by the client.
 - a. Email the WIC EBT Troubleshooting Guide to WICVendorMail@isdh.in.gov or fax to 317-233-5609.
 - b. The local agency's regional State Vendor Consultant will review the WIC EBT Troubleshooting Guide and provide a response within 1 working office day.

**Indiana WIC Program
Indiana State Department of Health**

Lost WIC EBT Cards

Policy

Vendors should inform either the local WIC agency or Indiana WIC about WIC EBT cards left unattended in store locations.

Authority

CFR 7.B.II.A §246.4.a.xix

Procedure

1. Vendors should maintain a central location, like a customer service desk, where lost WIC EBT cards can be collected and maintained.
2. Vendors have the option to:
 - a. Contact the local WIC clinic about the lost WIC EBT card;
 - b. Send the lost WIC EBT card to the local WIC clinic;
 - c. Send the lost WIC EBT card to Indiana WIC.
3. If the local WIC clinic is contacted about the lost WIC EBT card:
 - a. Local staff should ensure that the full WIC EBT card number is provided by the vendor;
 - b. Local staff should contact the WIC household to ask them to come into the WIC clinic for a new card if a replacement card has not already been provided;
 - c. The vendor must destroy the lost WIC EBT card.
4. If a vendor or another entity sends the WIC EBT card to the clinic:
 - a. Local agency staff should contact the WIC household to ask them to come into the WIC clinic for a new card if a replacement card has not already been provided;
 - b. Local agency staff must destroy the WIC EBT card received from the vendor.
5. If the vendor or another entity sends the WIC EBT card to Indiana WIC:
 - a. State Vendor Consultants will contact the local agency within 1 office working day with information on the lost WIC EBT card and the corresponding WIC household if a replacement card has not already been provided;
 - b. The local agency should contact the WIC household to ask them to come into the WIC clinic for a new card if a replacement card has not already been provided;
 - c. State Vendor Consultants must destroy the WIC EBT card received from the vendor.

**Indiana WIC Program
Indiana State Department of Health**

Vendor Complaints Against WIC Clients

Policy

WIC local agencies will investigate complaints, determine if clients violated WIC Program requirements, and issue sanction(s) accordingly.

Authority

CFR 7.B.II.A §246.12.u

Procedure

1. Vendors can submit a complaint form against WIC clients who violate WIC policies. This complaint form can be submitted to WIC local agencies or to Indiana WIC.
 - a. If local agencies need assistance in identifying the WIC client by the last 4 digits of the WIC EBT card, the local agency should contact Indiana WIC.
2. Local agencies should contact both parties to gain verification of the details alleged in the complaint form.
 - a. Local agencies should assure both parties that guilt is not assumed just because a complaint was made.
 - b. Local agencies should use the discussion to make sure each party understands their responsibilities to follow WIC policies and be respectful when transacting WIC business.
3. Local agencies should make a determination and record follow-up action taken, including any sanctions.
 - a. The "Sanctions Due to Program Violations" letter should be used to document client sanctions.
4. Local agencies should alert both their State Nutrition Services Consultant and State Vendor Consultant about the result of the complaint investigation.
5. Local agencies should maintain a copy of all complaint documentation on file with the vendor folder.

**Indiana WIC Program
Indiana State Department of Health**

WIC Client Complaints Against Vendors

Policy

WIC local agencies will document complaints against vendors and alert Indiana WIC.

Authority

CFR 7.B.II.A §246.12.o

Procedure

1. Clients can submit a complaint form against WIC vendors who violate WIC policies. This complaint form can be submitted to WIC local agencies or to Indiana WIC.
2. Local agencies should contact both parties to gain verification of the details alleged in the complaint form.
 - a. Local agencies should assure both parties that guilt is not assumed just because a complaint was made.
 - b. Local agencies should use the discussion to make sure each party understands their responsibilities to follow WIC policies and be respectful when transacting WIC business.
3. Local agencies should document any valid complaints in the vendor's file in the INWIC Vendor Module. As a default, please make sure that the "Include on TIP" checkbox is marked.
4. Local agencies should alert their State Vendor Consultant about the complaint. The Vendor Consultant will make an appropriate determination about how to follow-up with the vendor.
5. Local agencies should maintain a copy of all complaint documentation on file with the vendor folder.

**Indiana WIC Program
Indiana State Department of Health**

Vendor Files

Policy

WIC local agencies must maintain files and records for vendor activities.

Authority

CFR 7.B.II.A §246.12.I

Procedure:

1. Each local agency shall maintain an electronic or hard copy filing system comprised of vendor files which will assure adequate documentation of all vendor related activities. Each filing system should include:
 - a. Original or copy of the Vendor Agreement and associated documentation
 - b. Vendor training materials
 - c. Complaint forms
2. Indiana WIC will maintain the following information in the INWIC Vendor Module where local agency staff can access:
 - a. Most recent Vendor Application (and accompanying Food or Pharmacy Price List if applicable)
 - b. Any applicable monitoring or pre-authorization visit forms
 - c. Other vendor-specific forms
3. State form 48055, Request for Disposition of Record may be completed and sent to Indiana WIC to request disposal of records older than 3 years. Disposal may occur upon receipt of written approval of the request.

**Indiana WIC Program
Indiana State Department of Health**

EPPIC Reports

Policy

Indiana WIC uses WIC EBT data to improve client and vendor outcomes and to reduce fraud.

Authority

CFR 7.B.II.A §246.12.u

Procedure

1. Cards Not Activated and Exceeded PIN Attempts Reports
 - a. Near the beginning of each month, Indiana WIC will post reports from Conduent's EPPIC system that assist in improving client and vendor outcomes onto SharePoint.
 - b. Local agencies will find the reports associated with the most recent month and contact clients appropriately.
 - c. Local agencies will document the date that the client is contacted and the client response on either an electronic or paper copy of the EPPIC report.
 - d. For Cards Not Activated reports, local agencies will contact clients and ask them to activate their WIC cards by calling the phone number on the back of the card and following the prompts to select a PIN number.
 - e. For Exceeded PIN Attempts reports, local agencies will contact clients and inform them that the WIC card PIN can be reset at any time by calling the number on the back of the card and following the prompts to reset the PIN.
2. Benefits Not Redeemed
 - a. Reports are available for local agencies to review, but no follow-up action is required.
 - b. Local agencies should consult the Benefit Redemption Review Question guidance on SharePoint for how to follow-up with clients.
3. Excessive Card Replacements
 - a. Reports are available for local agencies to review, but no follow-up action is required.
 - b. Local agencies should consult the Excessive Card Replacement Counseling guidance on SharePoint for how to follow-up with clients.
 - c. Excessive card replacement education letters have been discontinued.

**Indiana WIC Program
Indiana State Department of Health**

Formulary Photo Forms

Policy

Indiana WIC provides formulary photo forms to aid local agencies and WIC clients in ordering special order formula and WIC eligible nutritionals.

Authority

CFR 7.B.II.A §246.10.e

Procedure

1. Process for ordering special formula and WIC eligible nutritionals
 - a. Indiana WIC maintains formulary photo forms on SharePoint to aid local agencies and WIC clients in ordering special order formula and WIC eligible nutritionals.
 - b. When a WIC client is prescribed a special order formula or WIC eligible nutritional that requires securing a pharmacy order, the local agency will find the appropriate formulary photo form and fill out the information for the client.
 - c. While giving the client the formulary photo form, the local agency will ask the client where they intend to shop for the formula or WIC eligible nutritional.
 - d. The local agency will call the grocery with pharmacy or pharmacy-only vendor and use information provided on the formulary photo form to ensure that the pharmacy can order the formula or WIC eligible nutritional and to discover an estimated arrival date.
 - e. Once shipment of the formula or WIC eligible nutritional is confirmed, the local agency will advise the client to bring the formulary photo form to the pharmacy for product pickup.
 - f. The WIC client will provide the formulary photo form to the pharmacy staff as confirmation to receive the requested formula or WIC eligible nutritional.
2. Additional information
 - a. If no pharmacies in the local agency's area are able to order the formula or WIC eligible nutritional, the local agency will contact Indiana WIC to secure shipment of the product.
 - i. Indiana WIC will work with the pharmacy's corporate office to check product availability and to ensure WIC policy compliance.
 - b. If the local agency cannot find or access the necessary formulary photo form, the local agency will contact Indiana WIC.

- i. Indiana WIC can create and update formulary photo forms upon request.
- ii. Indiana WIC can provide suggestions for how to access formulary photo forms for local agencies that have access issues on SharePoint.

**Indiana WIC Program
Indiana State Department of Health**

Vendor Notices

Policy

Indiana WIC will notify all vendors of any major vendor-related changes that occur prior to the transition to a new federal fiscal year through the distribution of official vendor notices.

Authority

CFR 7.B.II.A §246.12.h

Procedure

1. Indiana WIC will notify all vendors of any major vendor-related changes that occur prior to the transition to a new federal fiscal year through the distribution of official vendor notices, including but not limited to:
 - a. Policy changes
 - b. Policy clarification
 - c. Product changes
 - d. Funding changes
 - e. Addition or removal of services
 - f. Addition or removal of forms
2. Indiana WIC reserves the right to distribute vendor notices to vendors at any time on any subject.
3. Vendor notices will be emailed to the vendor email address listed on vendor applications and will be posted on the Indiana WIC website. Vendor notices may also be mailed upon request.
4. All WIC vendors will be blind carbon copied (bcc'ed) when vendor notices are sent to maintain the confidentiality of vendor personnel's contact information.
5. All Indiana WIC staff, WIC local agency Coordinators, and WIC local agency Vendor Liaisons will be carbon copied (cc'ed) on all vendor notices sent to vendors via email.
6. Indiana WIC also reserves the right to contact vendors outside of official vendor notices regarding the following:
 - a. Minor changes or issues;
 - b. Changes or issues affecting only a subset of vendors;
 - c. Changes or issues affecting an individual chain of vendors or individual vendor.
7. Vendors will be notified of major changes occurring during the transition to a new federal fiscal year during mandatory September vendor training.

**Indiana WIC Program
Indiana State Department of Health**

Vendor Management Reviews (VMRs)

Policy

Indiana WIC will conduct Vendor Management Reviews (VMRs) with each local agency every 2 years to ensure compliance with federal and state WIC policies.

Authority

CFR 7.B.II.A §246.19.b

Procedure

1. Every 2 years, Indiana WIC will schedule a Vendor Management Review (VMR) visit with each local agency.
2. The VMR will ensure compliance with WIC policies in the following areas:
 - a. Maintenance of vendor files
 - b. Accuracy and timeliness of Vendor Agreements
 - c. Accuracy and timeliness of vendor training activities
 - d. Documentation of EPPIC reports
 - e. Documentation of complaints
 - f. Use of formulary photo forms for special formula ordering
 - g. Accuracy and timeliness of vendor monitoring activities (when applicable)
3. State Vendor Consultants will:
 - a. Send VMR notices to local agencies with at least 15 days advance notice from the VMR visit date;
 - b. Provide a SQL query summary of WIC EBT transactions for the duration of the review period;
 - c. Fill out the VMR Form while on-site for the VMR visit;
 - d. Draft VMR materials and send to supervisor within 10 office working days;
 - e. Respond to any necessary VMR material edits within 3 office working days;
4. If Indiana WIC finds violation(s) of WIC policy, the local agency must provide a response for how policy violations will be corrected within 2 months from notification of the VMR results.
 - a. If the local agency fails to provide an adequate response within 2 months, an additional 2-month time period will be given.
 - b. If the local agency fails to provide an adequate response within the additional 2-month time period, then the local agency may lose funding from Indiana WIC.

5. If Indiana WIC finds no active violation(s) of WIC policy, the local agency is adequately complying with WIC policies and no additional action is necessary.

**Indiana WIC Program
Indiana State Department of Health**

New Coordinator/Vendor Liaison Training

Policy

State Vendor Consultants will schedule training for new local agency Coordinators and Vendor Liaisons within 2 months of their start date in the local agency role.

Authority

CFR 7.B.II.A §246.19.b

Procedure

1. State Vendor Consultants are required to schedule vendor management orientation training for new local agency Coordinators and Vendor Liaisons within 2 months of their start date.
2. Vendor management training for Coordinators and Vendor Liaisons is conducted in-person using the New Coordinator Training materials listed on the State Vendor Team shared drive and on the Vendor Management Page on SharePoint.
3. Once vendor management training for Coordinators is complete, State Vendor Consultants will update the training spreadsheet on the shared drive with the dates when the training is scheduled and completed.
4. If determined to be more effective, cost-effective, or efficient in the future, all or some aspects of vendor management training can become online training.

**Indiana WIC Program
Indiana State Department of Health**

Donations and Grants from Vendors to WIC Program

Policy

Local and state WIC employees will not accept donations and/or grants from WIC vendors that create a conflict of interest.

Authority

CFR 7.B.II.A §246.12.t

Procedure

1. Donations
 - a. A local agency or state WIC employee may accept in-kind donations from WIC vendors for the purpose of providing the donations to WIC clients.
 - b. Examples of in-kind donations include but are not limited to: vendor gift cards, breast pumps, and nutrition education materials.
 - c. A local agency or state WIC employee may not accept program or personal monetary donations from WIC vendors. This creates a conflict of interest.
2. Grants
 - a. A local agency or state WIC employee may not accept grant funding from WIC vendors. This creates a conflict of interest.
 - b. Indiana WIC may accept grant funding from WIC food manufacturers. Indiana WIC authorizes food based on nutritional content, cost, and availability. Food manufacturers do not compete in a competitive bidding process.
 - c. Indiana WIC may not accept grant funding from WIC formula manufacturers. This creates a conflict of interest because formula rebates are determined by a competitive bidding process. Indiana WIC may accept formula rebates to lower the cost of providing infant formulas to WIC clients.

**Indiana WIC Program
Indiana State Department of Health**

Subpoenas and Search Warrants of Vendor Information

Policy

Local and state WIC employees will consult legal counsel concerning subpoenas and search warrants. In all instances, attempt to limit the disclosure of confidential information and to limit public access to the information.

Authority

CFR 7.B.II.A §246.26.i

Procedure

1. Subpoenas
 - a. If a local agency or state employee receives a subpoena for vendor information, immediately notify the State Vendor Manager.
 - b. The State Vendor Manager will consult with legal counsel and determine if the information request is confidential and prohibited from being disclosed.
 - c. If legal counsel determines that the information cannot be disclosed, attempt to quash the subpoena.
 - d. If disclosing the confidential information is determined to be in the best interest of Indiana WIC, then the information may be released if allowed by state legal counsel.
 - i. If disclosing the confidential information, attempt to limit the disclosure to only the specific information requested in the subpoena and to limit public access to the confidential information disclosed to the greatest extent possible.
2. Search Warrants
 - a. If a local agency or state employee receives a search warrant for confidential information, immediately notify the State Vendor Manager.
 - b. The State Vendor Manager will consult with legal counsel.
 - c. All search warrants should be complied with.
 - d. Inform the individual(s) serving the search warrant that the information being sought is confidential.
 - e. Attempt to limit the disclosure to only the specific information in the search warrant and to limit public access to the confidential information disclosed to the greatest extent possible.