

FY21 WIC VENDOR AGREEMENT
APPENDIX H-GLOSSARY

Adverse action means a denial of authorization, termination, disqualification or imposition of a fine or civil money penalty against a vendor for any violation found during monitoring, compliance investigation, inventory audit or reassessment.

APL means the approved product listing that contains all WIC approved products allowed to be purchased with WIC benefits.

Change of ownership means a transfer of more than 50% of the interest in a vendor's business entity within a one-year period or a change in business entities except for a change from sole proprietorship to a single-member limited liability company or single-shareholder corporation where the sole proprietor is the member or shareholder and when there is a change from one entity to another, e.g., a corporation to a limited liability company when the business retains the same federal tax identification number.

Change of location means an authorized WIC vendor, under the same ownership and same tax ID number, relocates the business. If the distance moved is greater than one mile, the agreement will be terminated.

Competitive Price means a price that is comparable to the vendor's peer group prices using the most frequently redeemed food item prices collected from authorized WIC vendors and/or redemptions.

Compliance buy means a covert, on-site investigation in which a representative of the Program poses as a WIC customer and transacts one or more WIC benefits, and does not reveal during the visit that he or she is a Program representative.

Days mean calendar days. If a "due date" falls on a State holiday or weekend, the due date is the next business day.

Disqualification means the act of ending the authorization of a vendor, whether as a punitive sanction or for administrative reasons.

EBT (Electronic Benefits Transfer) means a method that permits electronic access to WIC food benefits using a card.

EBT Capable means the WIC vendor demonstrates their cash register system or payment equipment can accurately and securely obtain WIC food balances associated with a WIC card, maintain the necessary files such as the authorized product list, hot card file and claim file and successfully complete WIC EBT purchases.

Equipment

Multi-function equipment (Integrated cash register systems) means Point-of Sale equipment obtained by a WIC vendor through commercial suppliers, which is capable of supporting WIC EBT and other payment tender types.

Single-function equipment means Point-of-Sale equipment, such as barcode scanners, card readers, PIN pads and printers, provided to an authorized WIC vendor solely for use with the WIC Program.

Food sales means sales of all foods, based on all payment methods that are eligible items under SNAP. These include breads and cereals, dairy products, fruits and vegetables, meat, fish, and poultry, as well as non-alcoholic beverages, snack foods, soft drinks, candy, ice, and seeds and plants intended to grow food.

High risk vendor means a vendor identified as having a high probability of committing a vendor violation through application of the criteria established in federal or state regulations.

Incidences or occurrences means the number of same or different individual WIC items that result in a violation(s) from a transaction during an investigation except for Federal Mandatory Sanction violation number 4 in Appendix E.

Inventory audit means the examination of food invoices or other proofs of purchase to determine whether a vendor has purchased sufficient quantities of WIC food items to provide participants the quantities specified on WIC benefits that have been redeemed by the vendor during a given period of time.

Investigation means the use of on-site monitoring, transaction audits, inventory audits, and undercover compliance buys to determine if a vendor is committing Program violations. An undercover compliance investigation is considered complete when the WIC Program determines that a sufficient number of compliance buys have been conducted to provide evidence of Program noncompliance or when two consecutive compliance buys have been conducted in which no Federal Mandatory Sanction violations are found.

Lack of business integrity means fraud, antitrust violation, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, receiving stolen property, making false claims, or obstruction of justice. Examples include but are not limited to liquor, cigarette or tax violations, falsifying invoices, etc.

Maximum not to exceed (NTE) price means the highest price at which the vendor may be paid for a food item. The maximum not to exceed prices are based on average vendor prices for WIC food items within a peer group and are used by the WIC Program to determine the reimbursement level for each food item.

Monetary claim means the charge to the vendor for the cost of items for redemptions that could not be supported in an inventory audit or overcharges on WIC food purchases.

Multiple store under the same ownership policy means that stores owned by an entity currently authorized by the WIC Program may submit an application package outside of enrollment periods. All selection criteria must be met in order to be authorized under the multiple store under the same ownership and agreement policy.

On-site monitoring means a visit from a WIC Program representative to determine compliance with program rules and procedures. Monitoring includes but is not limited to checking the types and quantities of minimum inventory items, reviewing records, observing transactions, follow up on complaints, etc.

Pattern is defined as two or more incidences of a violation. All violations documented during the investigation will count toward the establishment of a pattern of noncompliance.

Peer group means a category of vendors that are assigned based on population density in the ZIP code area of the store and the number of checkout lanes or cash registers in the store. There are three population density groups (population density of 1-1500 people per square mile, 1501-3000 people per square mile, and over 3001 people per square mile). There are three cash register groups (1-3 registers, 4-9 registers, and 10 or more registers). Vendors that are in the same population density and cash register groups are placed in a peer group. There are a total of 9 basic peer groups, as described above. Pharmacies are divided into two peer groups: large chain pharmacies and small chain/independent pharmacies.

Prepackaged means packaged at the manufacturer.

Redemption means the act of payment of WIC transactions according to WIC regulations and banking standards.

Retail food delivery system means a system in which WIC customers exchange WIC benefits for approved WIC foods at the vendor's fixed location that is covered by the WIC Vendor Agreement.

SNAP means The Supplemental Nutrition Assistance Program.

Transaction is a single purchase made up of individual items redeemed using the WIC card.

Transaction audit means a review of a vendor's redemptions to determine if the vendor has overcharged the WIC Program.

Unauthorized food means any food items or package sizes not included in the Approved Food Guide or not printed on a WIC benefit. Unauthorized food may be a WIC approved food that is substituted for a different food item that is printed on a WIC benefits list.

Vendor means a sole proprietorship, partnership, cooperative association, corporation, or other business entity operating one or more stores authorized by the WIC Program to provide authorized WIC foods to participants under a retail food delivery system. Each store operated by a business entity constitutes a separate vendor and must be authorized separately from other stores operated by the business entity. Each store must have a single, fixed location. A vendor may be a food store, pharmacy or farmer.

Vendor authorization means the process by which the WIC Program assesses, selects, and enters into agreements with stores that apply or subsequently reapply to be authorized as vendors.

Vendor overcharge means intentionally or unintentionally charging the WIC Program more for authorized WIC foods than is permitted under the vendor agreement.

Vendor selection criteria means the criteria established by the WIC Program to select individual vendors for authorization consistent with the requirements in §246.12(g)(3) and (g)(4).

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

WIC benefits for fruits and vegetables means a WIC benefit that has a stated dollar value and is the equivalent to the cash value benefits (CVV) in the Federal Regulations that allows the purchase of all allowable fruits and vegetables.

WIC Approved Foods means all foods, which are approved by the WIC Program and provided to a WIC participant. Each participant's approved foods in the specific sizes allowed are listed in the CT Approved Food Guide or printed on a WIC benefit list.

WIC customer means anyone using a WIC card as payment for a WIC transaction.