

Additional Reminders and Requirements

Here are some reminders and requirements that are often overlooked.

Remember to:

- Read food instruments carefully, making sure that the customer is purchasing the correct items listed on the food instrument.
- Have the WIC customer sign the food instrument **after** the date of use and dollar amount have been entered and verify that the signature matches the signature on the WIC ID folder (*initials are not acceptable signatures*).
- Draw only one line through any error, then correct and initial. Do not trace over, scribble out or use correction fluid or tape to fix the error.
- Give WIC customers the same courtesies as non-WIC customers.
- Allow the WIC customer to use more than one food instrument; ensure that each food instrument is processed separately.

Requirements:

- Storefront Signage - Vendors are required to have a storefront sign. The sign must be a permanent fixed sign and the name on the sign must match the Owner Name or DBA (Doing Business As) Name on the store's Vendor Application.
- Shelf Markers - Vendors are required to display and maintain the official signage provided by the Department for their declared milk, cheese, and eggs.
- Record Retention - Vendors are required to retain records, including purchase invoices, inventory records, federal and state tax returns, and other records relating to the performance of this contract. The records must be kept for five (5) years from the date of expiration, termination of the contract, or when final payment is made.

Arizona Department of Health Services
Bureau of Nutrition and Physical Activity
Arizona WIC Program
150 North 18th Avenue, Suite 310
Phoenix, AZ 85007

Technical Assistance Hotline: 1 (866) 737-3935
Fax Number: 602-542-4323
Complaint Hotline: 1(866) 229-6561
Complaint Email: azwiccomplaints@azdhs.gov



Website:
www.azwic.gov/vendors



Health and Wellness for all Arizonans

VOLUME 24, ISSUE 5

September 2014



Arizona WIC Program Annual Vendor Training



WIC Program Celebrates 40th Anniversary

The Special Supplemental Nutrition Program for Women, Infants and Children, also known as WIC, celebrates its 40th anniversary this year.

WIC began as a two-year pilot program in 1972. It gained permanent program status in 1974, through Public Law 94-105 as an Amendment to the Child Nutrition Act of 1966.

In 1974, WIC served 88,000 participants nationally per month. In 2013, the number of participants served averaged over 8.6 million women, infants, and children per month.

WIC is currently available in all 50 states, 34 Indian Tribal Organizations, American Samoa, District of Columbia, Guam, Commonwealth of Northern Mariana Islands, Puerto Rico, and the Virgin Islands. The 90 WIC State agencies administer the program through approximately 1,836 local agencies and 9,000 clinics.



The Arizona WIC Program would like to thank all WIC Vendors for your partnership in providing supplemental food to WIC participants for the past 40 years!



Vendor Training 2014

Welcome to the Arizona WIC Vendor Training. This newsletter will serve as your annual training for Federal Fiscal Year 2014. The information provided will assist you and your staff in handling and understanding WIC transactions, as well as the benefits of the WIC Program for you and the participants.

It is the responsibility of the owner, store director, and/or manager to ensure that this training information is made available to all store employees, who handle WIC transactions.

The topics that will be covered in this issue include:

- What is WIC
- Changes for FFY 2015 and Reminders
- Authorized Foods
- Minimum Stock and Variety Requirements
- Infant Formula Purchases
- Cashing WIC Food Instruments
- Violations and Sanctions
- Complaint Process
- Incentive Item Restrictions
- Vendor Claims

What is WIC?

WIC is a supplemental nutrition program that is federally funded by the United States Department of Agriculture (USDA). WIC is designed to improve the nutritional health of pregnant, breastfeeding, and postpartum women; infants; and children up to five years old who are economically eligible. WIC provides participants with nutrition and breastfeeding education and support, referrals to healthcare and social service programs, and nutritious foods.

The purpose of the Program is to:

- Improve the outcome of high-risk pregnancies.
- Decrease low birth weight in infants.
- Prevent obesity and iron deficiency anemia.
- Improve poor growth patterns and dietary habits of participants.



USDA is an equal opportunity provider and employer.

2015 Changes and Recent Updates

The Arizona WIC Program makes revisions to the Vendor Manual and/or the Vendor Contract to meet changing demands. The changes made in the Arizona WIC Program Vendor Manual and Contract will be effective October 1st, or on the date specified in the notification of change, and will supersede any previous versions.

The Vendor Manual is available in a CD format viewable via computer; it is also available online at: <http://azhealth.gov/azwic/vendors/manual.htm>.

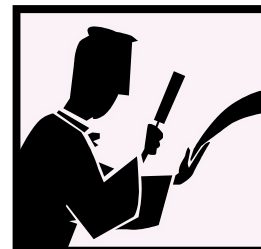
The following section of the Arizona WIC Program Vendor Manual has been revised to reflect federal policy changes (**sections enclosed**).

- **Section 5 - Cashing Food Instruments** - This section has been revised to allow the use of coupons and promotional specials for infant formula.
- **Section 9 - Violations and Sanctions** - Department Sanctions - Administrative and Procedural Violations - Revision to violation #5 to remove the exclusion of infant formula.

As a reminder, the most recent change that went into effect on May 5, 2014, was the increase in cash value benefit for children from \$6.00 to \$8.00.

ARIZONA DEPARTMENT OF HEALTH SERVICES WIC PROGRAM 2101 WEST ADAMS, PHOENIX, ARIZONA 85007 NEED HELP? Mon - Fri 8 AM - 5 PM, Call 1-800-543-3846		MISUSE OF DRAFTS SUBJECT TO STATE OR FEDERAL PROSECUTION. VOID IF ALTERED.		DRAFT # 65626375	25-1248 F319	PAIABLE THROUGH SOLIFRAL Citizen Alliance Bank, Phoenix Lake Branch One City, One Plaza, ACTVY, 85007
ISSUE # 02	ISSUE DATE 01	PARTICIPANT ID 1020248854	PARTICIPANT NAME CVV TEST, BOY C2	DRAFT TYPE 003881AZ	FIRST DATE TO USE 04/26/2014	DATE OF USE
REDEEMABLE AT APPROVED WIC STORES OR AUTHORIZED FARMERS' MARKETS UP TO \$8.00 ANY COMBINATION FRUITS/VEGETABLES (FRESH, FROZEN AND/OR CANNED)				VENDOR MUST DEPOSIT WITHIN 60 CALENDAR DAYS FROM FIRST DATE TO USE.	ACTUAL \$ AMOUNT \$	LAST DATE TO USE 05/25/2014
WIC CUSTOMER MAY PAY AMOUNT OVER \$8.00				VOID	VOID	
PARTICIPANT: DO NOT SIGN UNTIL TIME OF PURCHASE				VOID		
SIGNATURE AT STORE:				VOID		
CASHIER: DO NOT ACCEPT IF ALREADY SIGNED. MUST MATCH SIGNATURE ON ID FOLDER.						

Violations and Sanctions



Violations that are found during monitoring activities are subject to sanctions. It is important that authorized WIC Vendors become familiar with the Arizona WIC Program's Sanction Schedule (enclosed). These sanctions can range from a written warning letter*, to termination and disqualification from the Program.

Department Sanctions will stay on the Vendor's record for 24 months from the date of the violation, and Mandatory Sanctions remain on the Vendor's record permanently.

Any Vendor who is disqualified from the Supplemental Nutrition Assistance Program (SNAP) will also be disqualified from the WIC Program. The disqualification will be for the same length of time as the SNAP disqualification and may begin at a later date than the SNAP disqualification.

** Unless the Department, in its sole discretion, determines that a warning letter would compromise an investigation.*

Remember: If your store is no longer authorized to accept SNAP, your store is no longer eligible to participate in the Arizona WIC Program as an authorized WIC Vendor.

Complaint Process

The Arizona WIC Program values our relationship with the Vendor Community and strives to ensure the shopping experience is pleasant for both the cashier and WIC customer. We welcome any input you can offer that could assist us in improving our program.

If you experience an issue or concern with a WIC customer, please do not hesitate to let us know about it. The concerns you report will assist the program in identifying WIC customers, WIC Vendors or WIC clinic staff who are in need of additional training.

Remember, the issues and concerns reported will help to detect and reduce fraud and abuse in the Arizona WIC Program.



The Arizona WIC Program has several convenient ways to report a complaint, fraud, or abuse. WIC Vendors, participants, WIC clinic staff and the public can report any issue by:

- Visiting: <http://www.azwic.gov>, and clicking the icon shown to the left
- Calling toll-free: 1-866-229-6561
- Emailing: azwiccomplaints@azdhs.gov

Vendor Claims

When monitoring activities are conducted and an overcharge violation is found, the Arizona WIC Program may establish a claim in the amount of the full purchase price of each food instrument that contained the overcharge or other errors. The Vendor must pay any claim that is assessed by the Arizona Department of Health Services. In collecting a claim, the program may offset the claim against current and subsequent amounts to be paid to the Vendor. The Vendor may also be sanctioned for overcharges or other errors in accordance with the program's sanction schedule.

How to Cash WIC Food Instruments

Regular Food Instruments

WIC Vendors are responsible for ensuring that WIC food instruments are processed correctly. Cashiers must be aware of the program's redemption procedures for regular and cash value food instruments, handle each food instrument separately, and know what foods are authorized to be purchased on the food instrument. Below are the steps for redeeming WIC food instruments:

1. Identify the WIC customer, ask for the WIC ID folder or Proxy form.
2. Verify the dates to make sure that the date the customer comes into your store falls on or between the first date to use and the last date to use.
3. Check that the food instrument has not been reported lost or stolen.
4. Verify that the items being purchased are listed on the food instrument in the correct quantities, units, and types.
5. Write in the date of use; cashiers may **correct the date only** one time and in front of the WIC customer.*
6. Allow the customer to use coupons, store specials, and other promotional specials.**
7. Write in the purchase amount; cashiers may **correct the dollar amount only** one time and in front of the WIC customer.*
8. Witness the WIC customer's signature, and verify that the signature on the food instrument matches one of the signatures on the WIC ID folder. Remember: Initials are not allowable signatures.

Allow the customer to **re-sign** the food instrument if the signatures do not match or the food instrument is pre-signed*. The signature must be the same name as the original signature and can be resigned **only** one time.

9. Give the WIC customer a legible receipt for their WIC purchases.

ARIZONA DEPARTMENT OF HEALTH SERVICES WIC PROGRAM 1740 WEST ADAMS, PHOENIX, ARIZONA 85007 NEED HELP? Mon. - Fri. 8 AM - 5 PM, Call 1-800-2925-WIC		MISUSE OF DRAFTS SUBJECT TO STATE OR FEDERAL PROSECUTION. VOID IF ALTERED		DRAFT #	65626370
AGENCY	CLINIC	PARTICIPANT ID	PARTICIPANT NAME	DRAFT TYPE	
02	01	1020248854	CVV TEST, BOY C2	003105AZ	
18 OZ (16 TO 18 OZ) PEANUT BUTTER OR 1 LB DRY BEANS/PEAS/LENTILS OR UP TO 64 OZ CANNED BEANS 1 GAL FAT FREE / SKIM / NONFAT OR LOWFAT (1%) MILK (GALLON CONTAINERS ONLY) 1 QT FAT FREE / SKIM / NONFAT OR LOWFAT (1%) MILK (QUART CONTAINERS ONLY) 1 LB (16 OZ EACH) WIC APPROVED CHEESE 1 DOZ FRESH EGGS (12 PACK CARTONS ONLY)					
VENDOR MUST DEPOSIT WITHIN 60 CALENDAR DAYS FROM FIRST DATE TO USE.		FIRST DATE TO USE	03/27/2014		
ACTUAL \$ AMOUNT		DATE OF USE	5		
\$ CORRECTION ONLY	CASHIER INITIAL	LAST DATE TO USE	04/25/2014		
\$ 7		PAY TO THE ORDER OF:	VOID		
PARTICIPANT: DO NOT SIGN UNTIL TIME OF PURCHASE					
SIGNATURE AT STORE:					
8					
CASHIER: DO NOT ACCEPT IF ALREADY SIGNED. MUST MATCH SIGNATURE ON ID FOLDER.					

* See "Correcting Errors" on the next page, and the enclosed handout regarding correcting food instruments.

** Excludes Above 50 Percent Vendors (see Incentive Item Restrictions for WIC Vendors).

Cash Value Food Instruments

WIC customers can purchase fruits and vegetables using a cash value food instrument (CVFI). The CVFI can be used to purchase a combination of fresh, frozen, and/or canned fruit and vegetables. The customer may redeem one or more CVFIs in one transaction. DO NOT write more than the maximum dollar amount that is printed on the CVFI.

ARIZONA DEPARTMENT OF HEALTH SERVICES WIC PROGRAM 1740 WEST ADAMS, PHOENIX, ARIZONA 85007 NEED HELP? Mon. - Fri. 8 AM - 5 PM, Call 1-800-2925-WIC		MISUSE OF DRAFTS SUBJECT TO STATE OR FEDERAL PROSECUTION. VOID IF ALTERED		DRAFT #	65626375
AGENCY	CLINIC	PARTICIPANT ID	PARTICIPANT NAME	DRAFT TYPE	
02	01	1020248854	CVV TEST, BOY C2	003881AZ	
REDEEMABLE AT APPROVED WIC STORES OR AUTHORIZED FARMERS' MARKETS					
UP TO \$8.00 ANY COMBINATION FRUITS/VEGETABLES (FRESH, FROZEN AND/OR CANNED)		FIRST DATE TO USE	04/26/2014		
WIC CUSTOMER MAY PAY AMOUNT OVER \$8.00		DATE OF USE			
ACTUAL \$ AMOUNT		LAST DATE TO USE	05/25/2014		
\$ CORRECTION ONLY	CASHIER INITIAL	VOID			
		VOID			
PARTICIPANT: DO NOT SIGN UNTIL TIME OF PURCHASE					
SIGNATURE AT STORE:					
VOID					
CASHIER: DO NOT ACCEPT IF ALREADY SIGNED. MUST MATCH SIGNATURE ON ID FOLDER.					

Cashing Cash Value Food Instruments

1. Follow the same procedures as for cashing a regular food instrument (page 4: steps 1-6).
2. Weigh, scan, and calculate the amount of produce being purchased.
3. Enter the dollar amount, **up to the maximum**, on the food instrument.
4. Witness and verify the WIC customer's signature.



WIC customers can use more than one CVFI.

When cashing more than one CVFI, the same rules apply (steps 1-6), including the following:

- Use the highest value CVFI first.
- Make sure each one is within the valid dates.
- Tender and process each one separately.
- Witness and verify the customer's signature.

Remember: If the amount of purchase exceeds the maximum printed on the food instrument, the WIC customer may pay the difference, if they choose, by using another method of payment (SNAP, cash, etc.).

If the customer does not agree to pay the difference, the cashier will need to remove some of the fruits and vegetables until the amount is at or below the maximum amount on the CVFI.

Correcting Errors

There are three areas on the food instrument that can be corrected **only** one time and in front of the WIC customer:

Date of Use

FIRST DATE TO USE	05/04/2014
DATE OF USE	05/04/14 ME
LAST DATE TO USE	05/03/14
LAST DATE TO USE	06/03/2014

- Draw a single line through the incorrect date.
- Write in the correct date.
- Cashier initials next to the change.

Actual \$ Amount

ACTUAL \$ AMOUNT	
\$ CORRECTION ONLY	CASHIER INITIAL
22.05	ME
\$ 24.97	
TAX EXEMPT SALE NOT TO EXCEED \$200.00	

- Draw a single line through the incorrect amount.
- Write the correct amount in the "\$ Correction Only" box.
- Initial in the "Cashier Initial" box.

Signature at Store

A	PARTICIPANT: DO NOT SIGN UNTIL TIME OF PURCHASE	
	SIGNATURE AT STORE: <i>Kim Kelly</i>	
B	PARTICIPANT: DO NOT SIGN UNTIL TIME OF PURCHASE	
	SIGNATURE AT STORE: <i>Kim Kelly</i>	

- Draw a single line through the signature.
- Have the customer re-sign the food instrument:
 - A. Above the original OR
 - B. To the left of the signature block

Remember, when making corrections, **do not** trace over, scribble out, or use correction fluid.

Section 5

CASHING FOOD INSTRUMENTS

WIC Food Instrument Redemption Procedures

The Arizona WIC Program relies on its Vendors to ensure that only WIC authorized foods are purchased. When proper checkout procedures are followed, WIC participants receive the nutrients they need to improve their health status. The cashiers play an important role as part of the Vendor's responsibility to the WIC program.

Vendor's employees must offer WIC participants/authorized representatives and proxies the same courtesies as offered to other customers. **Separate lines or checkout counters may not be established for only WIC customers.**

To take less time during check out, local agency employees instruct participants/authorized representatives or proxies to separate WIC foods from their other purchases. Sometimes it may be necessary for the cashier to assist a participant/authorized representative or proxy in separating the WIC foods from their other items. Also, the cashier should check the items before starting the transaction to ensure that the participant/authorized representative or proxy has the proper items that are listed on the WIC food instrument. Therefore, WIC participants/authorized representatives or proxies may not utilize a Vendor's self checkout lanes.

Cashiers must be familiar with the Arizona WIC Programs Food List to ensure that the participant receives the proper foods. Also, to reduce the number of rejected food instruments, cashiers must be familiar with the food instrument redemption procedures outlined on the following pages.

- ➔ **NOTE:** Arizona WIC Program food instruments may be redeemed anywhere in Arizona as long as they are redeemed at an Arizona WIC Program authorized Vendor.

For example: WIC food instruments that are issued to a participant in Maricopa County may be redeemed in Apache County.

Before ringing up the WIC transaction, the Cashier

SHALL:

- Identify the WIC Customer
 - ➔ The only acceptable identification will be:
 - ➔ The participant's/authorized representative's ID Folder/Transfer Card, **OR**
 - ➔ The completed and signed Proxy Certification form.
- Check the dates
 - ➔ Do not accept before the date shown in the box marked "FIRST DATE TO USE" or after the "LAST DATE TO USE"
- Check to make sure that the food instrument has not been reported to you (in writing) by the Department as either lost or stolen
- Enter the date the food instrument is used (cashier's responsibility) in the "DATE OF USE" box
 - ➔ The date can be corrected one (1) time only and in the presence of the WIC participant/authorized representative by drawing a single line through the incorrect date, writing in the correct date and initialing the correction.
- Check that the selected items, quantities and units being purchased are as specified on the food instrument
 - ➔ All infant formula must be purchased
 - ➔ No substitutions
 - ➔ No rain checks
 - ➔ Check the price of each item to avoid overcharges
- For Regular Food Instruments:
 - ➔ Keep each WIC transaction separate
 - ➔ Allow WIC customer to redeem more than one food instrument per visit
 - ➔ Do not combine the total purchase amounts from two or three food instruments into one
 - ➔ Food instrument cannot exceed the maximum amount stated on the food instrument
- For Cash Value Food Instruments:
 - ➔ Allow WIC customer to use multiple cash value food instruments towards a single purchase
 - ➔ Tender each food instrument separately, when multiple cash value food instruments are used towards a single purchase
 - Amount written on the cash value food instrument cannot exceed the maximum amount stated on the food instrument
 - ➔ Allow the WIC customer to pay the difference for all fruits and/or vegetables being purchased that exceed the maximum value as stated on the face of the **cash value food instrument only**.
 - ➔ **NOTE:** The dollar amount written on each cash value food instrument must be less than or equal to the maximum amount stated on the face of the food instrument. Do not include any amount over the maximum value in the total amount that is written on the cash value food instrument.

Before ringing up the WIC transaction, the Cashier

SHALL NOT:

- Accept a food instrument that is altered, including alterations of the participant's name, first date to use, date of use or last date to use, signature, or type, quantities and units of food items authorized for purchase.
 - ➔ **NOTE:** The use of correction fluid (white-out) is considered an alteration. However, food items crossed out, highlighted or circled are not considered alterations. The Vendor shall immediately notify the Department of the person(s) presenting food instrument(s) which have been altered.
- Require WIC participants/authorized representatives to purchase other items in order to redeem a food instrument.
- Allow WIC participants/authorized representatives to purchase items **not** included on the Arizona WIC Programs Food List with a WIC food instrument.
- For cash value food instruments only, prevent WIC participants/authorized representatives from paying the difference between the maximum value as stated on the food instrument and the total amount of their fruit and/or vegetable purchase.
- Require WIC participants/authorized representatives to use multiple cash value food instruments in order to purchase their fruits and vegetables.

When ringing up the WIC transaction, the Cashier

SHALL:

- Allow the use of coupons, the purchase of items on sale and to take advantage of promotional specials, for example:
 - ➔ Cents off coupons
 - ➔ Free additional ounces
 - ➔ Buy one, get one free
 - ➔ In-store or manufacturer promotions
 - ➔ Store membership discount cards
- 1. **Cents off coupons –**
 - a. Single, double, triple, quadruple and other store coupons (if applicable to the purchase) are acceptable.
 - b. The receipt must document that the value of the coupon was deducted from the total sales price of the WIC foods purchased with the food instrument.
 - c. Do not give the reduced dollar amount to the WIC participant/authorized representative in the form of cash, credit, or other valuable goods.
- 2. **Free additional ounces –**
 - a. The free additional ounces should cost the same as the ounces specified on the food instrument. For example: Four additional ounces of peanut butter sold in a special 22 ounce jar for the same cost as the 18 ounce jar.
- 3. **Buy one, get one free –**
 - a. Non-WIC approved foods or items are acceptable free items. For example: Buy a 14 ounce box of Cheerios, and get a 15 ounce box of Honey Nut Cheerios free.
 - b. The receipt must document that only WIC authorized foods were paid for with the food instrument.
 - c. The number of ounces of free additional product should not be counted towards the maximum number of ounces allowed by WIC. For example: Buy one 12 ounce box of Nabisco Cream of Wheat Instant hot cereal and get a 12 ounce box free. The 12 ounces from the free box will not be counted against the quantity of 36 ounces specified on the food instrument.
- 4. **In-store or manufacturer promotions –**

WIC customers may take advantage of any/all in-store and/or manufacturer’s promotions. Some examples are: Store manager’s specials of the day or week or manufacturers marketing their product in a larger size package/container which will cost the consumer the same price as the regular size package/container. (It may say something like 20% more free).
- 5. **Store membership discount cards –**

The store’s discount cards also known as “clipless coupons” may be used by all WIC customers and with any/all purchases.
- 6. **Employee discount cards –**

WIC customers, who are also grocery store employees, may use their employee discount card with any/all purchases.
- ➔ **Note: Vendors for which more than 50 percent of annual food sales result from WIC sales, also referred to as Above-50-Percent Vendors (per WIC Vendor Provisions of Public Law Number 108-265), are exempt from the above-mentioned savings policies (item numbers 1 through 5) and may not provide incentive items* or other free merchandise to WIC Program participants. Failure to comply with this policy may result in termination of the Vendor Contract and a one year disqualification.**

*Incentive items or other free merchandise are defined as: Free or reduced price food or other items, cash, lottery tickets, buy one get one free, buy one get one at a reduced price, free amounts added to an item by a manufacturer, manufacturer coupons, store loyalty cards, sales and specials for supplemental food, free or reduced price services except for the minimal customary courtesies of the retail food trade, such as bagging supplemental food for the participant and assisting the participant with loading the supplemental food into his/her vehicle.

When ringing up the WIC transaction, the Cashier

SHALL NOT:

- Except for infant formula, require WIC participants/authorized representatives to purchase all the items listed on the food instrument.
- Prevent WIC participants/authorized representatives from purchasing all of the items listed on the food instrument.
- Require WIC participants/authorized representatives to purchase specific brands or limit the units of WIC foods (e.g.: allow only a certain brand, unless it is specifically stated on the food instrument or food list, such as Kellogg's Corn Flakes or gallons of milk only).
- Charge more than the current shelf price.
- Charge for items not purchased.
- Sell WIC infant formula after the manufacturer's expiration date printed on the package/container.
- Charge sales tax or other tax for WIC foods purchased.
- Give WIC participants/authorized representatives rainchecks for WIC foods that were included in the dollar amount of the sale written on the food instrument.
- Give WIC participants/authorized representatives cash or credit for WIC food instruments redeemed.
- Provide incentive items or other free merchandise to WIC Program participants. **Note:** This only applies to for-profit Vendors for which more than 50 percent of annual food sales result from WIC sales.

After ringing up the WIC transaction, the Cashier

SHALL:

- Enter the purchase price (cashier's responsibility) in the "\$" box.
 - ➔ The purchase price shall be equal to the dollar amount of the food items listed **and** purchased on the food instrument and cannot exceed the maximum dollar amount stated on the food instrument.
If the participant/authorized representative is redeeming a **cash value food instrument**, the purchase price shall be equal to the dollar amount of the food items that the WIC participant is purchasing. However, the dollar amount written in the "\$" box must be less than or equal to the maximum amount stated on the cash value food instrument. **Note:** The WIC participant/authorized representative may pay the difference when the total amount exceeds the maximum amount as specified on the cash value food instrument. However, do not include any amount exceeding the maximum in the amount that is written on the food instrument.
- Correct any mistakes in writing the dollar amount on the food instrument by doing the following (cashier's responsibility):
 - ➔ Draw a **single** line through the incorrect dollar amount; (**amount may be corrected one time only**)
 - ➔ Write the corrected dollar amount in the "\$ CORRECTION ONLY" box; and
 - ➔ Initial the correction in the "CASHIER INITIAL" box.
- Witness customer signature.
 - ➔ Verify that the signature on the food instrument matches the signature on the ID Folder/Transfer Card (or Proxy Certification form) before finalizing the WIC transaction. The signature at the store does not need to be a carbon copy of the signature on the ID Folder/Transfer Card (or Proxy Certification form). It must be the same first and last names (in that order) and have the same characteristics as the signature on the ID Folder/Transfer Card (or Proxy Certification form).

NOTE: The WIC participant/authorized representative may not use initials as their signature. If the participant signs the food instrument using initials, please refer them back to their local WIC office.

Also remember, the ID Folder/Transfer Card may have one (1) or two (2) signatures in the signature boxes. The signature obtained at the end of the transaction needs to match **one** of the signatures on the ID Folder/Transfer Card.

The WIC customer may re-sign the WIC food instrument **one time only** in the presence of the cashier if:

1. The signature on the food instrument does not match their signature on the ID Folder/Transfer Card or Proxy Certification form;
2. The food instrument presented was pre-signed.

Follow the procedures below when a food instrument needs to be re-signed:

1. Draw a single line through the original signature.
2. Have the WIC customer re-sign the food instrument above the original signature.
3. Verify that the signature matches one of the signatures on the ID Folder/Transfer Card or Proxy Certification form.

NOTE: Only the person who originally signed the food instrument can re-sign; the re-signed signature must be the same name as the first signature.

- Give WIC customer a clear, legible cash register receipt for all of their WIC purchases.
 - ➔ The receipt must reflect the store name, date, and quantities purchased and total dollar amount.
 - ➔ The receipt must identify the sale as a "WIC" transaction.

After ringing up the WIC transaction, the Cashier

SHALL NOT:

- Accept the food instrument if the actual cost of the WIC foods purchased exceeds the maximum stated on the food instrument (except as follows):
 - ➔ **For cash value food instruments only:** Vendors **may** allow the WIC customer to pay the difference between the actual cost of the fruits and/or vegetables purchased and the maximum value that is printed on the cash value food instruments. For more information, see Cash Value Food Instrument in this Manual.
- Provide refunds or permit WIC participants/authorized representatives to exchange WIC foods purchased with a food instrument for unauthorized foods, non-WIC type foods or other items, cash or credit, except for exchanges of an identical authorized supplemental food item when the original authorized supplemental food item is defective, spoiled, or has exceeded its “sell by,” “best if used by,” or other date limiting the sale or use of the food item.
 - ➔ **Note:** An identical authorized supplemental food item means the exact brand and size as the original authorized supplemental food item purchased and returned by the WIC participant/authorized representative. However, the following exception shall be made for WIC food items that are recalled:

Vendors are permitted to exchange the defective (recalled) food item for an identical food item. If the Vendor has removed all of the identical food items from the shelves, the Vendor can exchange the defective food for another authorized supplemental food of the same type (i.e. peanut butter for peanut butter, juice for juice, etc.) from the Arizona WIC Programs Food List.

For example:

If a jar of “X Brand” peanut butter is recalled and all “X Brand” is removed from the shelf, the Vendor may exchange the recalled peanut butter for another brand of authorized peanut butter from the Arizona WIC Programs Food List.

If the WIC participant returns with a recalled item and has a receipt, the Vendor shall provide the participant with the same type of food item as referenced above. The replaced item shall be of equal or lesser value to the price paid by the WIC program on the participant’s receipt.

If the WIC participant returns with a recalled item and does not have a receipt, the Vendor shall provide the participant with the same type of food item as referenced above. The replaced item shall be of equal or lesser value to the current cost of the item at the time of the return.
- Exchange WIC food instruments for non-WIC foods, non-food items, alcohol or tobacco products, lottery tickets, cash, or credit.
- Charge WIC participants/authorized representatives the difference in value if the cost of food specified exceeds the maximum value of the food instrument.
- Request full or partial payment from participants/authorized representatives for the value of unauthorized items purchased, food instruments rejected for payment, or damaged food instruments. Restitution shall not be requested even if the food instrument was not deposited.
- Accept WIC food instruments from participants/authorized representatives using initials as their signature.

WIC Food Instrument Redemption – Not To Exceed (NTE) Procedures

The Arizona WIC Program will provide, on a weekly basis, the not to exceed (NTE) dollar amount(s) by food instrument type and peer group to all authorized Vendors. This information will be available to Vendors via the Arizona WIC Program Vendor Website. Each Vendor/Owner will only have access to their individual information. The information will be posted to the Website each Friday to provide Vendors with at least three calendar days advance notice of the new NTE. The new NTE will become effective on the following Monday of each week. If Monday is a holiday, the new NTE will become effective on the following Tuesday.

Vendors may use this information to avoid possible banking fees associated with WIC food instruments that are rejected for being over the NTE dollar amount. Vendors who elect to use this information must do the following:

1. The cashier must enter the total purchase price of the food items actually purchased by the WIC participant/authorized representative on the food instrument and the WIC participant/authorized representative must sign the food instrument.
2. The Vendor may then compare the dollar amount written on the food instrument to the NTE amount for that food instrument type provided by the WIC Program via its Website.
3. If the NTE dollar amount for the food instrument type is **less than** the amount written on the food instrument, the Vendor **may do** the following:
 - a. Draw a single line through the higher dollar amount on the food instrument and write the lesser dollar amount in the "\$ correction only" box.
 - b. Initial the change in the "cashier initial" box.
 - c. Endorse and deposit the food instrument in its financial institution for payment.
4. If the NTE dollar amount for the food instrument type is **greater than** the amount written on the food instrument, the Vendor **may not** write in the greater amount on the food instrument.

UNDER THE ARIZONA WIC PROGRAM VENDOR CONTRACT VENDORS MAY NOT:

1. Charge the WIC Program more than the current shelf price for supplemental foods.
2. Prevent a WIC participant/authorized representative from purchasing all of the items the participant/authorized representative would be entitled to purchase with their food instrument.
3. Require a WIC participant/authorized representative to purchase specific brands or units of WIC food items (e.g., allow only a certain brand, unless it is specifically stated on the food instrument or authorized food list, such as Kellogg's Corn Flakes or allow juice only in frozen concentrate containers).

→ **NOTE:** The NTE Procedures do not apply to the cash value food instrument.

Section 9

VIOLATIONS AND SANCTIONS

Violations and Sanctions

Under federal statutes and regulations and Arizona Department of Health Services policies and procedures, the Department is required to sanction contracted WIC Vendors that have violated WIC Program federal regulations, state statutes, the Vendor Contract, the Vendor Manual and WIC Program policies and procedures. The Department may sanction Vendors that have violated WIC Program requirements by imposing administrative fines, monetary claims, civil money penalties, suspensions, terminations, or disqualifications, or any combination of sanctions. The Department may sanction Vendors regardless of whether the violations were intentional or unintentional. The Department may refer Vendors who commit fraud and/or abuse of the WIC Program to federal, state, or local authorities for prosecution under applicable statutes.

The Department may sanction Vendors for a combination of violations or any violations of the terms of the Vendor Contract, federal or state statutes or regulations, WIC Program policies and procedures, and/or other applicable statutes, rules, or regulations.

The imposition of sanctions does not exclude or replace any other applicable criminal or civil sanctions, penalties, or remedies under any federal, state, or local laws.

Vendor violations and/or sanctions from preceding contract periods may impact future Vendor authorization in subsequent contract periods. Also, violations of the WIC Program that occurred during the previous contract period may be carried over and used as a basis for imposing sanctions – such as, administrative fines, civil money penalties, monetary claims, termination, disqualification, criminal prosecution, and denial of an application for a WIC Vendor contract during subsequent contract periods.

All references in this section to participants include WIC participants, parents or caretakers of infant and child participants, or proxies. All references to days or years in this document refer to calendar days or calendar years.

The Department has two levels of violations: those that result in Department sanctions and those that result in federally mandated sanctions.

Department Sanctions - Administrative and Procedural Violations

Violations #1 through #18 listed below are administrative and procedural violations. Department sanctions for administrative and procedural violations include administrative fines, termination of the Vendor Contract, disqualification from the WIC Program or any combination of sanctions. Vendors who fail to pay a required fine will be terminated and disqualified for one year.

The Department will send the Vendor a **single** warning letter after the **first** incident of an administrative or procedural violation, unless the Department, in its sole discretion, determines that a warning letter would compromise an investigation. **Subsequent incidents of an administrative or procedural violation will result in administrative fines or termination of the Vendor Contract and disqualification from the WIC Program.** The Department, in its sole discretion, may continue an investigation of a violation beyond the number of incidents necessary to impose a sanction.

An administrative or procedural violation that results in a Department sanction will remain on the Vendor's record as a violation incident for 24 calendar months from the date of that violation and may be used when determining how many incidents of that violation have occurred. If the Department is able to determine that the Vendor is no longer committing the previously sanctioned violation, then any subsequent incident of that violation will be considered an initial incident of that violation.

Except for Violation #11, if the Department determines that disqualification of the Vendor for an administrative or procedural violation would result in inadequate participant access, a civil money penalty **may** be imposed in lieu of disqualification. (See Civil Money Penalty in this section for calculation.)

Violation	Second Incident Sanction	Third Incident Sanction	Fourth Incident Sanction and Length of Disqualification
1. Accepting a food instrument that is outside valid dates, post-dated or missing a signature.	\$100.00	\$200.00	Termination of Contract and one year disqualification.
2. Failing to verify signature on ID folder or proxy form against signature on food instrument.	\$100.00	\$200.00	Termination of Contract and one year disqualification.
3. Failing to offer program participants the same courtesies offered to other customers.	\$100.00	\$200.00	Termination of Contract and one year disqualification.
4. Requiring identification other than the WIC ID folder or proxy form to use WIC food instrument(s).	\$100.00	\$200.00	Termination of Contract and one year disqualification.
5. Failing to allow WIC participants to use coupons or other promotional specials.	\$100.00	\$200.00	Termination of Contract and one year disqualification.
6. Failing to record the total actual price on the WIC food instrument before obtaining the WIC participant's signature on the food instrument.	\$100.00	\$200.00	Termination of Contract and one year disqualification.
7. Failing to display the current price of an authorized WIC food item on the item, shelf, or nearby sign.	\$100.00	\$200.00	Termination of Contract and one year disqualification.

Violation	Second Incident Sanction	Third Incident Sanction	Fourth Incident Sanction and Length of Disqualification
8. Failing to display the official Department signage for the Vendor's declared store or house brand of cow's milk, eggs, and cheese.	\$100.00	\$200.00	Termination of Contract and one year disqualification.
9. Requiring other purchases as a condition to use WIC food instruments.	\$100.00	\$200.00	Termination of Contract and one year disqualification.
10. Approaching, soliciting, or leaving advertisements or other promotional items for WIC applicants or participants at the WIC State agency or local agency WIC clinics.	\$100.00	\$200.00	Termination of Contract and one year disqualification.
11. Failing to maintain required minimum stock.	\$200.00	\$400.00	Termination of Contract and one year disqualification.
12. Collecting sales tax on a WIC food purchase.	\$200.00	\$400.00	Termination of Contract and one year disqualification.
13. Allowing the return of food items purchased with WIC food instruments in exchange for food items not authorized by the WIC program or for WIC food items not listed on the WIC participants' food instruments.	\$200.00	\$400.00	Termination of Contract and one year disqualification.
14. Contacting WIC participants to attempt to collect funds that will not be or were not paid to the Vendor by the WIC program.	\$200.00	\$400.00	Termination of Contract and one year disqualification.
15. Charging WIC participants for authorized WIC foods obtained with WIC food instruments.	\$200.00	\$400.00	Termination of Contract and one year disqualification.
16. Failing to submit a WIC Price/Stock Survey by the Department's established due dates.	\$200.00	\$400.00	Termination of Contract and one year disqualification.
17. Allowing the purchase of less than the total amount of infant formula as specified on the food instrument.	\$200.00	\$400.00	Termination of Contract and one year disqualification.
18. Using the WIC logo or the acronym "WIC" without written approval from the Department and the USDA	\$500.00	\$1000.00	Termination of Contract and one year disqualification.

Department Sanctions – Fraud and Abuse

Violations #1 through #12 listed below are fraud and abuse violations. The Department sanctions for fraud and abuse are termination of the Vendor Contract and disqualification from the WIC Program.

The Department will send the Vendor a **single** warning letter after the **first** incident of a fraud or abuse violation, unless the Department, in its sole discretion, determines that a warning letter would compromise an investigation.

The Department will NOT send any additional warning letters for subsequent incidents of a fraud or abuse violation or before imposing the Department sanction. The Department, in its sole discretion, may continue an investigation of a violation beyond the number of incidents necessary to impose a sanction.

A fraud or abuse violation that results in a Department sanction will remain on the Vendor’s record as a violation incident for 24 calendar months from the date of that violation and may be used when determining how many incidents of that violation have occurred. If the Department is able to determine that the Vendor is no longer committing the previously sanctioned violation, then any subsequent incident of that violation will be considered an initial incident of that violation.

If the Department determines that disqualification of the Vendor for fraud or abuse would result in inadequate participant access, a civil money penalty **may** be imposed in lieu of disqualification. (See Civil Money Penalty in this section for calculation.)

Violation	Number of Incidents of the Violation that Will Result in the Indicated Sanction	Sanction and Length of Disqualification
1. Failing to attend training as required by the Department.	Two	Termination of Contract and six month disqualification.
2. Failing to provide access to Vendor premises and/or in any manner hindering or impeding authorized WIC personnel from conducting an on-site education, monitoring, inventory audit, or investigation visit.	Two	Termination of Contract and six month disqualification.
3. Providing false, inconsistent, or misleading information on the WIC Price/Stock Survey.*	Two	Termination of Contract and one year disqualification.
4. Threatening or verbally abusing WIC participants and/or threatening or verbally abusing WIC program personnel conducting official WIC program business.	Two	Termination of Contract and one year disqualification.
5. Physically abusing WIC participants and/or physically abusing WIC program personnel conducting official WIC program business.	Two	Termination of Contract and one year disqualification.
6. Failing to maintain, due to suspension, revocation, or denial, a Health Code Permit or other licenses, permits, or certifications to operate a food store in the State of Arizona or the State in which the Vendor is geographically located (i.e., Utah, Nevada, or California).	Two	Termination of Contract and one year disqualification.

Violation	Number of Incidents of the Violation that Will Result in the Indicated Sanction	Sanction and Length of Disqualification
7. Being assessed of a civil money penalty for hardship by the SNAP.	Two	Termination of Contract and disqualification for the period of time for which the Vendor would otherwise have been disqualified by the SNAP.
8. Failing to maintain inventory records or other records required by the Department for a period of five years.	Two	Termination of Contract and one year disqualification.
9. Failing to make available to the Department, the USDA, any law enforcement agency, the Department of the Attorney General, or the Comptroller General of the United States, upon request and at a reasonable time and place for inspection and audit, all food instruments in the Vendor's possession and all program related records. (This includes failing to provide the Department legible copies, within 30 calendar days of the written request, all required program related records including purchase and inventory records for WIC authorized foods).	Two	Termination of Contract and one year disqualification.
10. Allowing the return of food purchased with WIC food instruments in exchange for cash, credit, or non-food items.	Two	Termination of Contract and one year disqualification.
11. Discriminating on the basis of race, color, disability (handicap), age, national origin, or gender (sex).	Two	Termination of Contract and one year disqualification.
12. Purchasing infant formula from a source that is not listed on the Arizona WIC Program's list of infant formula manufacturers, wholesalers, or distributors.	Two	Termination of Contract and one year disqualification.

***Note:** For WIC Price/Stock Survey (Market Basket) prices, it is the sole responsibility of the Vendor to provide timely verified updates to the Department.

Mandatory Sanctions under Federal Regulations

USDA Federal Regulations, specifically those at 7 C.F.R. § 246.12, impose mandatory sanctions for Violations #1 through #12 listed below. The mandatory sanctions for the violations listed below are termination of the Vendor Contract and disqualification from the WIC Program. For Violations #4 through #11 listed below, the federal regulations also require the Department to establish a pattern of violations before imposing the mandatory sanction.

For Violations #4 through #10 listed below, the Department will send the Vendor a **single** warning letter after the **first** incident of a violation, unless the Department, in its sole discretion, determines that a warning letter would compromise an investigation. **The Department will NOT send any warning letters for subsequent incidents of a violation. No warning letters will be sent for violations #1, #2, #3, #11, or #12.** The Department, in its sole discretion, may continue to investigate a violation beyond the number of incidents necessary to impose a sanction.

If the Department is able to determine that the Vendor is no longer committing the previously sanctioned violation, then any subsequent incident of that violation will be considered an initial incident of that violation.

Except for Violation #1, if the Department determines that disqualification of the Vendor would result in inadequate participant access, a civil money penalty **may** be imposed in lieu of disqualification. (See Civil Money Penalty for calculation.)

Violation	Number of Incidents of the Violation that Will Result in the Indicated Sanction	Sanction and Length of Disqualification
1. Receiving a <u>conviction</u> for trafficking in food instruments or selling firearms, ammunition, explosives, or controlled substances (as defined in Section 102 of the Controlled Substances Act (21 U.S.C. § 802)) in exchange for food instruments.	One	Termination of Contract and permanent disqualification.
2. <ul style="list-style-type: none"> a. Buying or selling food instruments for cash (trafficking); or b. Selling firearms, ammunition, explosives, or controlled substances (as defined in 21 U.S.C. § 802) in exchange for food instruments. 	One	Termination of Contract and six year disqualification.
3. Selling alcohol, alcoholic beverages, or tobacco products in exchange for food instruments.	One	Termination of Contract and three year disqualification.
4. Charging the WIC program more for supplemental food than non-WIC customers or charging the WIC program more than the current shelf price. (Any overcharge, even \$0.01, is considered a violation.)	Three	Termination of Contract and three year disqualification.
5. Charging the WIC program for supplemental food not received by the participant.	Three	Termination of Contract and three year disqualification.
6. Receiving, transacting, and/or redeeming food instruments outside authorized channels, including the use of an unauthorized Vendor and/or an unauthorized person.	Three	Termination of Contract and three year disqualification.

Violation	Number of Incidents of the Violation that Will Result in the Indicated Sanction	Sanction and Length of Disqualification
7. Providing credit (including rain checks) or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances (as defined in 21 U.S.C. § 802), in exchange for food instruments.	Three	Termination of Contract and three year disqualification.
8. Providing unauthorized food items in exchange for food instruments, including charging for supplemental food provided in excess of those listed on the food instrument.	Three	Termination of Contract and one year disqualification.
9. Providing incentive items* or other free merchandise to WIC program participants. (Only applicable to Above-50-Percent Vendors)**	Three	Termination of Contract and one year disqualification.
10. Providing incentive items* or other free merchandise <u>solely</u> to WIC program participants. (Only applicable to Regular Vendors)**	Three	Termination of Contract and one year disqualification.
11. Claiming reimbursement for the sale of an amount of a specific supplemental food item that exceeds the store's documented inventory of that supplemental food item for a specific period of time. Each month that a Vendor claimed reimbursement for the sale of a specific supplemental food item that exceeded the Vendor's documented inventory of that supplemental food item shall constitute an incidence of a violation. Three incidences of this violation will result in termination of the Contract and a three-year disqualification.		
12. Becoming disqualified from the SNAP will result in disqualification from the WIC Program. The term of the disqualification shall be identical to, and may begin at a later date than, the SNAP disqualification. The disqualification is <u>not</u> subject to administrative or judicial review under the WIC Program.		

***Note:** Incentive items or other free merchandise are defined as: Free or reduced price food or other items; cash; lottery tickets; buy one, get one free; buy one, get one at a reduced price; free amounts added to an item by a manufacturer; manufacturer coupons; store loyalty cards; sales and specials for supplemental food; free or reduced price services, except for the minimal customary courtesies of the retail food trade, such as bagging supplemental food for the participant and assisting the participant with loading the supplemental food into his/her vehicle.

****Note:** Above-50-Percent Vendors cannot provide any incentive items to WIC customers; however, Regular Vendors can provide incentive items to WIC customers, as long as the same incentive items are being provided to all customers.

Multiple Violations During a Single Investigation

When, during the course of a single investigation, the Department determines that a Vendor has committed multiple violations (which may include violations subject to Department sanctions or federally mandated sanctions), the Department shall disqualify the Vendor for the period corresponding to the most serious sanction. Additionally, if a Vendor is immediately subject to disqualification after an investigation has been completed, but an additional incident of a different violation would result in a longer period of disqualification, then the Department may continue the investigation to determine whether the more serious sanction should be imposed.

Civil Money Penalty

If the Department determines that disqualification of a Vendor (other than a disqualification for Violation #11 under Department Sanctions – Administrative and Procedural Violations) would result in inadequate participant access, a civil money penalty **may** be imposed. The Department shall use the USDA Federal Regulations at 7 C.F.R. § 246.12(l)(1)(x) to determine civil money penalty amount. The formula is as follows:

Step I: Multiply 10% (.10) times the average monthly redemptions for the previous six calendar months, not including the month during which the notification of violation is dated.

Step II: Multiply the product of Step I by the number of months of the disqualification period.

The result of Step II will be the civil money penalty imposed. A civil money penalty shall not exceed \$11,000 for each violation.

When, during the course of a single investigation, the Department determines a Vendor has committed multiple violations, the Department must impose a civil money penalty for each violation.

The total amount of civil money penalties for violations investigated as part of a single investigation shall not exceed \$44,000.

A civil money penalty shall not be imposed in lieu of disqualification for third or subsequent sanctions for violations listed in Mandatory Sanctions under Federal Regulations, items 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11.

Vendors that have been convicted of trafficking (Mandatory Sanctions under Federal Regulations - Item 1) in food instruments or selling firearms, ammunition, explosives, or controlled substances in exchange for food instruments will be permanently disqualified from the WIC Program. A civil money penalty in lieu of disqualification **will not be considered** even if disqualification of the Vendor would result in inadequate participant access or the Vendor had an effective trafficking prevention policy and program in effect at the time of the violation and the Vendor's owner(s) did not know about, approve of, or participate in the conduct resulting in the violation.

If a Vendor does not pay, only partially pays, or fails to timely pay a civil money penalty assessed in lieu of disqualification, the Department must disqualify the Vendor for the length of the disqualification corresponding to the violation for which the civil money penalty was assessed (in cases where a mandatory sanction included the imposition of multiple civil money penalties as a result of a single investigation, the length of the disqualification will correspond to the most severe violation).

Second Mandatory Sanction

If a Vendor has been previously sanctioned for a violation under Mandatory Sanctions under Federal Regulations (**except** for Violations #1, #11, and #12) and commits a second violation of that type, the sanction amount for the second violation will be doubled.

Third or Subsequent Mandatory Sanction

If a Vendor has been previously sanctioned two or more times for a violation under Mandatory Sanctions under Federal Regulations (**except** for Violations #1, #11, and #12) and commits additional violations of that type, the sanction amount for third and all subsequent violations will be doubled.

No Voluntary Withdrawal or Nonrenewal of Contract

The Department shall not accept voluntary withdrawal of the Vendor from the WIC program as an alternative to disqualification for the violations listed in Mandatory Sanctions under Federal Regulations. In addition, the Department shall not use nonrenewal of the Vendor Contract as an alternative to disqualification for the violations listed in the Mandatory Sanctions under Federal Regulations section of this Sanction Policy.

Criminal or Civil Prosecution

A Vendor who commits fraud or abuse in the WIC program is liable to prosecution under applicable federal, state, or local laws. Under federal law, those who have willfully misapplied, stolen, or fraudulently obtained program funds valued at \$100 or more will be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both. If the value of the willfully misapplied, stolen, or fraudulently obtained program funds is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment of not more than one year or both.

Change of Business Entity

A change in ownership does not eliminate any violation or sanctions that occurred before the change in ownership. If a Vendor changes ownership at the same location (*i.e.*, through a change in business entity or the addition or deletion of partners, associates, or principals), any violations that occurred under the previous contract will carry over to the new contract and may be used for determining sanctions, including termination and/or disqualification. Such changes in ownership may include, but are not limited to, a change from a sole proprietorship or partnership to a corporation where the previous individual owner(s) or one or more partner(s) remain as an officer or shareholder of the new corporation.

Termination/Denial/Disqualification

Vendors may appeal a denial of authorization, an administrative fine, a termination, a disqualification, or a civil money penalty according to the most recent administrative hearing procedures issued by the Department. However, as stated above, termination and disqualification based on a SNAP disqualification **is not subject to administrative or judicial review.**

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

Vendors who are terminated and disqualified may apply for a WIC Vendor Contract after the disqualification period ends. The Vendor must meet all current requirements for a WIC Vendor Contract including the selection plan and limitation policy requirements. The Department will not consider contracting with a Vendor during any disqualification period from the WIC program.

SNAP Disqualification

Disqualification from the WIC program for any of the violations listed in the Mandatory Sanctions under Federal Regulations section may result in disqualification as a retailer in the SNAP. As stated above, such disqualification is not subject to administrative or judicial review under the SNAP.

ARIZONA WIC PROGRAM'S MINIMUM STOCK REQUIREMENTS

(These stock requirements must be maintained at all times.)

WIC FOOD	BRAND/TYPE	AMOUNT	SIZE	# OF VARIETIES
Cereal	<p>ONLY THESE BRANDS:</p> <p>Cold Cereal Any Store Brand Crispy Rice Any Store Brand Toasted Oats General Mills Chex: Corn, Wheat General Mills Cheerios: Plain and Multi-Grain General Mills Kix: Plain General Mills Total: Plain Kellogg's Corn Flakes Kellogg's Special K: Original Kellogg's All-Bran Complete Wheat Flakes Kellogg's Frosted Mini Wheats: Original Kellogg's Rice Krispies Malt-O-Meal Crispy Rice Malt-O-Meal Frosted Mini Spooners Post Great Grains Banana Nut Crunch Post Honey Bunches of Oats: Almond, Honey Roasted and Vanilla Post Grape Nuts Post Grape-Nuts Flakes Quaker Life: Plain Quaker Oatmeal Squares: Brown Sugar and Cinnamon</p> <p>Hot Cereal Cream of Wheat Instant Original Flavor Malt-O-Meal Original Hot Wheat Cereal Quaker Instant Oatmeal Original flavor, (single serving packets only)</p>	<p>24</p> <p>-- or --</p> <p>24</p> <p>-- or --</p> <p>24</p>	<p>boxes or bags, 14 ounce or larger of cold cereal</p> <p>boxes, 11.8 ounces or larger of hot cereal</p> <p>boxes and bags, appropriate size as listed above of hot <u>and</u> cold cereal combined</p>	<p>4 brands: one must be General Mills Plain Cheerios, one must be General Mills Plain Kix and two other brands</p>
<p><u>Do not</u> count organic or frosted (except Malt-O-Meal Frosted Mini Spooners and Kellogg's Frosted Mini Wheats: Original), hot cereal with added raisins, fruit or nuts or variety packs.</p>				
Eggs	<p>Store or house brand, fresh, raw, white chicken eggs.</p>	<p>16</p>	<p>medium or large - one (1) dozen cartons</p>	<p>one size must be large</p>
<p><u>Do not</u> count organic or specialty (low cholesterol, DHA, free range, cage free, nest and fertile), six-packs, brown, extra large, jumbo eggs or egg substitutes.</p>				
Dry Beans / Peas / Lentils	<p>Any eligible brand and type of dry beans, peas or lentils in one (1) pound bulk or prepackaged (not more than 16 ounces)</p>	<p>8</p>	<p>pounds</p>	<p>1 type Dry Beans --and-- 1 type Peas or Lentils</p>
<p><u>Do not</u> count organic or immature varieties (i.e., green beans, snap beans, yellow beans or wax beans), fresh, frozen, flavored, refried beans, seasoned, bean soup mixes with flavoring packets and spices or gourmet beans.</p>				

**ARIZONA WIC PROGRAM'S
MINIMUM STOCK REQUIREMENTS**
(These stock requirements must be maintained at all times.)

WIC FOOD	BRAND/TYPE	AMOUNT	SIZE	# OF VARIETIES	
Canned Beans	ONLY THESE BRANDS:		8	up to 16 ounce cans	not applicable
	Albertson's	Cannellini, Garbanzo, Great Northern, Red, Whole Pinto			
	Bush's	Black, Cannellini White Kidney, Dark Red Kidney, Garbanzo, Great Northern and Pinto			
	El Mexicano	Garbanzo, Pinto			
	Food Club	Dark Red Kidney, Garbanzo, Great Northern, Pinto			
	Fry's/Kroger	Black, Black-eyed Peas, Cannellini Kidney, Dark Red Kidney, Garbanzo, Great Northern, Light Red Kidney, Pinto, Red			
	Great Value	Black, Great Northern, Pinto, Red			
	Safeway	Black, Garbanzo, Light Red Kidney, Lima, Pinto, Red			
	Shurfine (Premium)	Black, Dark Red Kidney, Garbanzo, Great Northern, Light Red Kidney, Pinto			
	Springfield (Fancy)	Black, Black-eyed Peas, Pinto			
	Valu Time	Pinto			
Western Family (Premium)	Black, Garbanzo, Great Northern, Light Red Kidney, Pinto				
<p><u>Do not count organic or beans with added fat, oil, spices or meat (i.e., pork and beans), refried beans, canned green peas, green beans, snap beans, yellow beans or wax beans, fresh, frozen, flavored, or seasoned beans such as Cajun style, chili beans, BBQ beans, ranch-style, or baked beans.</u></p>					

ARIZONA WIC PROGRAM'S MINIMUM STOCK REQUIREMENTS

(These stock requirements must be maintained at all times.)

WIC FOOD	BRAND/TYPE	AMOUNT	SIZE	# OF VARIETIES
Peanut Butter	Any eligible brand of plain (creamy, chunky, super chunk or natural) peanut butter. Low sugar and low sodium are allowed.	8	16 to 18 ounce jars	not applicable
<p><u>Do not</u> count 'grind your own', organic or spreads, peanut butter with added ingredients (i.e., jams, jelly, marshmallow, chocolate, DHA, omega-3, or honey), or in tubes.</p>				
WHOLE GRAINS				
Soft Corn Tortillas	ONLY THESE BRANDS OF YELLOW OR WHITE SOFT CORN TORTILLAS: Casa Rica Don Pancho Guerrero La Banderita La Burrita Mama Lola's Mission Yellow Santa Fe Tortilla Company Any store or house brand	6 -- or --	16 ounce packages only	not applicable
Soft Whole Wheat Flour Tortillas	ONLY THESE BRANDS OF WHOLE WHEAT FLOUR TORTILLAS: Guerrero Tortillas de Harina Integral La Banderita Fajita Whole Wheat Mission Whole Wheat Any store or house brand, whole wheat flour must be listed as the first ingredient or 100% whole wheat must be printed on the label.	6 -- or --		
<p><u>Do not</u> count organic or tortilla chips, tostada or taco shells, or white flour tortillas, or flavored tortillas (such as spinach or tomato).</p>				
Brown Rice	ONLY THESE BRANDS OF LONG OR SHORT GRAIN BROWN RICE: Blue Ribbon Mahatma Shurfine Springfield Any store or house brand	6 -- or -- any combination that equals 6 packages		
<p><u>Do not</u> count organic or white rice, basmati, jasmine, or instant brown rice, seasoned or flavored or rice in plastic containers.</p>				

ARIZONA WIC PROGRAM'S MINIMUM STOCK REQUIREMENTS

(These stock requirements must be maintained at all times.)

WIC FOOD	BRAND/TYPE	AMOUNT	SIZE	# OF VARIETIES
Bread	<p>ONLY THESE BRANDS OF 100% WHOLE WHEAT LOAVES OF BREAD:</p> <p>Bimbo 100% Whole Wheat Roman Meal Sun Grain 100% Whole Wheat Sara Lee Classic 100% Whole Wheat Wonder Soft 100% Whole Wheat</p> <p>Any eligible store or house brand labeled 100% Whole Wheat (including bakery)</p>	6	16 ounce packages only	not applicable
<p><u>Do not</u> count organic or gluten-free, diet, light, or low carb, buns, rolls, mini-loaves, pita or flatbread, English muffins, sandwich thins and rounds, or bagels.</p>				
Milk	Store or house brand of pasteurized refrigerated cow's milk.	28	gallon containers	2 types: one must be 1% and one must be whole
<p><u>Do not</u> count pint, quart or half gallon containers, organic or chocolate or any flavored milk, buttermilk, acidophilus, half and half, rice or filled milk (i.e., sweetened condensed milk), creamers, or non-dairy products.</p>				
Soy milk	Pacific Ultra Soy, shelf stable, plain and vanilla only.	*see note	32 ounce container	not applicable
	8 th Continent, refrigerated, original and vanilla only.		1/2 gallon containers	
<p><u>Do not</u> count pint or gallon containers, organic or light, low fat, chocolate, or soy milk with DHA/ARA, or 8th Continent Complete Vanilla.</p>				
Goat's Milk	Meyenberg, refrigerated, whole or low fat	*see note	quart containers only	not applicable
<p><u>Do not</u> count organic or evaporated, powdered, or canned.</p>				
Tofu	Any eligible brand, water-packed, any texture calcium set tofu with NO added fat, sugar, oil or salt (sodium).	*see note	packages, up to 16 ounces	not applicable
<p><u>Do not</u> count organic.</p>				

* **Note:** The Department has not set a minimum stock requirement at this time. However, if a WIC participant makes a request for this item, the Vendor must order the item and make it available within five (5) calendar days.

ARIZONA WIC PROGRAM'S MINIMUM STOCK REQUIREMENTS

(These stock requirements must be maintained at all times.)

WIC FOOD	BRAND/TYPE	AMOUNT	SIZE	# OF VARIETIES
Cheese	<p>Store or house brand, plain, domestic, pasteurized cheese (16 ounces only) prepackaged in blocks.</p> <p>ONLY THESE TYPES:</p> <p>Cheddar (includes longhorn) Colby (includes Longhorn) Monterey Jack Mozzarella (whole or part skim – includes string cheese) Blended cheese (blend of any type listed above)</p>	8	pounds	3 types: one must be Cheddar, one must be Monterey Jack, and one other type
<p><u>Do not</u> count deli counter or random weight cheese, organic or imported cheese, with added flavors or ingredients (i.e., peppers, pimentos, wine, etc.), cream cheese, cheese that is diced, grated, shredded, or sliced, cheese sticks or swirls, processed American cheese, processed cheese food, cheese product, or cheese spread.</p>				
Juice	<p>Only these brands, 100% juice, with NO sugar or sweeteners added:</p> <p><u>64 ounce shelf stable:</u></p> <p>Any brand Orange and Grapefruit Campbells Tomato Seneca Apple Shurfine Apple and Grape Treetop Apple Langer's Apple, Grape, White Grape and Pineapple Welch's Grape and White Grape Western Family Apple and Grape</p> <p><u>64 ounce refrigerated:</u></p> <p>Any brand Orange and Grapefruit</p> <p><u>11.5 – 12 ounce frozen:</u></p> <p>Any brand Orange and Grapefruit Dole Pineapple and Pineapple Orange Langer's Apple Old Orchard Apple, Grape and Pineapple Seneca Apple Shurfine Apple Treetop Apple Welch's Grape and White Grape Western Family Apple and Grape</p>	16	64 ounce single strength or 11.5/12 ounce frozen containers	3 types: one must be 64 ounce Tree Top Apple shelf stable Juice, one must be any brand 11.5 or 12 ounce frozen Orange Juice and one other type
<p><u>Do not</u> count organic or fresh, and non-frozen concentrate, Naked and Odwalla brands, juice in glass bottles, 6-ounce frozen containers or juices with other added ingredients (including but not limited to grape seed extract, ginseng, guarana, taurine, caffeine, carnitine, chromium, St. John's Wort, wheatgrass, Ginkgo Biloba or others).</p>				

ARIZONA WIC PROGRAM'S MINIMUM STOCK REQUIREMENTS

(These stock requirements must be maintained at all times.)

WIC FOOD	BRAND/TYPE	AMOUNT	SIZE	# OF VARIETIES
CANNED FISH				
Tuna	Any eligible brand, plain, chunk light, water packed tuna.	6 --or--	5 ounce cans	not applicable
<u>Do not</u> count organic tuna, oil packed, solid white, albacore, prime fillet, flavored or seasoned, pouches or lunch kits, or with added ingredients or soy protein.				
Pink Salmon	Any eligible brand, plain water-packed, pink salmon.	6 --or--	5 ounce cans	
<u>Do not</u> count organic salmon, oil packed, red (includes Red Sockeye), Atlantic salmon, flavored, seasoned, in pouches, lunch kits or with added ingredients.				
Sardines	Any eligible brand, flavored, seasoned or plain sardines.	8	3.75 ounce cans	
<u>Do not</u> count organic sardines, Brisling or Norwegian sardines.				
Fresh Fruits and Vegetables	Any variety of fresh (includes organic), whole or cut, fruits and vegetables. Single individual pieces, bagged or prepackaged fruits and vegetables (including lettuce) are allowed.	32	pounds	2 types of fruits --and-- 2 types of vegetables.
<u>Do not</u> count potatoes (except sweet potatoes or yams), canned or frozen, herbs or spices, edible blossoms of flowers (i.e., squash blossoms), fruits and vegetables served at a salad bar, salad kits, ornamental fruits and vegetables (i.e., chilies on a string or painted pumpkins), fruit baskets, party trays or nuts (including peanuts).				
Canned Vegetables	Any brand Any variety, including organic, regular or low sodium, mixed vegetables without potatoes, sweet potatoes and yams without added sugar or syrup, tomato paste, tomato sauce, puree, whole, crushed, stewed, or diced tomatoes are allowed.	not applicable	Any size and type of container, including cans, cups or jars	not applicable
<u>Do not</u> count vegetables with added fat, *sugar, or oil, added pastas or rice, any potatoes (except sweet potatoes and yams), pickled or creamed, vegetables in sauce, spaghetti or pizza sauce, soups, ketchup, relish, olives, or salsas.				
*Note: Small amounts of sugar are added to some foods that are naturally sugar-containing during the canning process to prevent stress resulting in membrane rupture. This small amount of added sugar is minimal and helps to maintain the quality and structure of the food and is allowed for canned peas and corn only.				

ARIZONA WIC PROGRAM'S MINIMUM STOCK REQUIREMENTS

(These stock requirements must be maintained at all times.)

WIC FOOD	BRAND/TYPE	AMOUNT	SIZE	# OF VARIETIES
Canned Fruits	<p>Any brand</p> <p>Any variety, including organic, shelf stable or refrigerated plain fruit or mixed fruit packed in juice or water, and natural or unsweetened applesauce is allowed.</p>	not applicable	Any size and type of container, including cans, cups or jars	not applicable
<p><u>Do not</u> count fruit packed in syrup (heavy, light or extra light), fruit with added sugar, fat, oil, or salt, fruit packed in sweetened fruit juice or nectar, fruit cocktail, cranberry sauce, pie filling, fruit with artificial sweeteners, such as Splenda or NutraSweet, or with any other added ingredient.</p>				
Frozen Vegetables	<p>Any brand</p> <p>Any variety, including organic, mixed vegetables without potatoes, sweet potatoes and yams without added sugar or syrup, and steamer bags are allowed.</p>	not applicable	Any size and type of container	not applicable
<p><u>Do not</u> count breaded or seasoned vegetables, any potatoes, including French fries, tater tots, hash browns, or mashed (except sweet potatoes and yams), vegetables with added sugar, syrup, oil, fat, pasta, rice, or any other ingredients, and vegetables with sauce, such as cheese, butter, or teriyaki sauce.</p>				
Frozen Fruits	<p>Any brand</p> <p>Any variety, including organic, plain fruit or mixed fruit is allowed.</p>	not applicable	Any size and type of container	not applicable
<p><u>Do not</u> count fruit with any other added ingredients, fruits with added sugar, fat, oil or salt, smoothies, or fruit with artificial sweeteners, such as Splenda or NutraSweet.</p>				

ARIZONA WIC PROGRAM'S MINIMUM STOCK REQUIREMENTS

(These stock requirements must be maintained at all times.)

WIC FOOD	BRAND/TYPE	AMOUNT	SIZE	# OF VARIETIES
Infant Formula	<u>Similac Advance with Iron</u> Powder	36	12.4 ounce cans	not applicable.
	<u>Enfamil Prosobee</u> Powder	18	12.9 ounce cans	not applicable.
Infant cereal	Beechnut or Gerber, plain without fruit.	18	8 ounce boxes	not applicable.
	<u>Only these varieties:</u> Barley Oatmeal Rice Whole Wheat	-- or -- 9	16 ounce boxes any combination of 8 and 16 ounce boxes that equals 144 ounces	
<u>Do not</u> count organic or high protein, mixed grain cereal, cereals with fruit, sugar, yogurt or formula or DHA/ARA added, single serving, cups, jars or cans.				
Infant jarred foods - fruits and vegetables	Any eligible brand, stage 2, infant fruits and vegetables, single variety, or any combination of plain fruits and/or vegetables (i.e., apples and bananas, carrots and mangos).	64	4 ounce jars	2 types of fruits --and-- 2 types of vegetables
<u>Do not</u> count organic or fruits and vegetables with added sugars, salts or starches, desserts, dinners, smoothies, and food combinations.				
Infant jarred foods - meats	Any eligible brand, any stage, infant meats, single variety with added broth or gravy.	31	2.5 ounce containers	not applicable.
<u>Do not</u> count organic or meat with added sugars, salts or starches, meat sticks, dinners, and food combinations.				

**Arizona WIC Program Infant Formula Suppliers
(For WIC Vendor use only)**

Infant Formula Wholesaler	Wholesaler Address	Fax Number	Phone Number
Affiliated Foods	PO BOX 30300 Amarillo, Texas 79120	(806) 372-1404	(806) 372-3851 (Dale Thompson)
Associated Food Stores	PO BOX 30430 Salt Lake City, Utah 84130	(801) 978-8551	(801) 978-8236 (Douglas Pitt)
Cardinal Health (Hospital & Pharmacy only)	600 North 83rd Avenue Tolleson, Arizona 85353	(623) 478-9480	(602) 725-8434 (Brian Willis)
Costal Pacific Distributor (US Commissaries only)	1520 East Mission Boulevard, Suite B Ontario, California 91761	(209) 983-8009	(909) 947-2066
GDI	PO BOX 92290 Albuquerque, New Mexico 87199	(505) 798-4751	(800) 810-2615
National Grocery (Bashas'/Food City/IGA only)	200 South 56th Street Chandler, Arizona 85226	(480) 940-2269	(480) 201-0212
Phoenix Distribution Center (Albertson's/Osco stores only)	400 South 99th Avenue Tolleson, Arizona 85353	(602) 382-5333	(602) 382-5400
SQS	3314 W. Osborn Rd Phoenix, Arizona 85017	(602) 336-8805	(602) 336-8411 ext 202 (Susan Yearley)
Unified Grocers	5200 Sheila Street Commerce, California 90040	(323) 729-6623	(323) 264-5200 (Veronica Olivas-ext 8664)
WinCo Foods (WinCo stores only)	PO BOX 5756 Boise, ID 83705	(208) 672-2334	(208) 672-2346
Infant Formula Manufacturer	Manufacturer Address	Fax Number	Phone Number
Brystol-Myers Squibb Company - Mead Johnson	Mead Johnson Nutrition Group 2400 West Lloyd Expressway Evansville, Indiana 47721-0001	(800) 318-7351	(800) 318-7269 - Option 3 or (800) 222-9123 (Small credit card orders)
Nestle, USA	800 North Brand Boulevard Glendale, California 91203	(818) 549-6952	(818) 549-6000
PBM Nutritionals	PBM Nutritionals, LLC PO BOX 2109 147 Industrial Park Road Georgia, Vermont 05468-2109	(802) 524-9763	(802) 527-0521
Abbott Laboratories Ross Products Division	Ross Products Division 625 Cleveland Avenue Columbus, Ohio 43215-1724	(614) 624-7616	(614) 624-3191 (Customer Relations)
SHS/Nutricia (Specialty formula only)	9900 Belward Campus Drive, Suite #100 Rockville, Maryland 20850	(301) 795-2302	(301) 795-2300
Solus Products, LLC (Specialty formula only)	6262 Lapas Trail Indianapolis, Indiana 46268	(317) 298-9629	(801) 725-9197 (866) 765-8744

If you have any questions regarding this list, please call 1 (866) 737-3935.

This list may be found at http://www.azwic.gov/documents/vendors/arizona_WIC_program_infant_formula_suppliers.pdf

MAKING CORRECTIONS ON WIC FOOD INSTRUMENTS

If a Cashier has made an error during a WIC transaction it may be corrected. There are three areas on the food instrument that can be corrected during the WIC transaction: the Date of Use, the Actual \$ Amount and the Signature at the Store.

Date of Use

1. Draw a single line through the incorrect date;
2. Write in the correct date in the "Date of Use Box";
3. Cashier writes initials the next to the correction.

FIRST DATE TO USE	05/04/2014
DATE OF USE	05/04/14 05/03/14 ME
LAST DATE TO USE	06/03/2014

ACTUAL \$ AMOUNT	
\$ CORRECTION ONLY	CASHIER INITIAL
22.05	ME
\$ 24.97	
TAX EXEMPT SALE NOT TO EXCEED \$200.00	

Actual \$ Amount

1. Draw a single line through the incorrect Amount;
2. Write the correct Amount in the "\$ Correction Only" box;
3. Initial the correction in the "Cashier Initial" box.

Signature at Store

Used when the signature does not match one of the signatures on the WIC Identification or cashier is presented with a pre-signed food instrument.

1. Draw a single line through the original signature;
2. Have the customer re-sign the food instrument (**must be the same name**);
 - a. Above the original; OR
 - b. To the left of the signature block.
3. Verify that the signature matches the signature on the WIC ID folder or Proxy Form.

a.

b.

When making any corrections on a WIC food instrument remember:

1. All changes must be made in the presence of the WIC customer.
2. The corrected area can be changed **only** one time.
3. **Do not** trace over, scribble out, or use correction fluid or tape.