DIVISION OF FAMILY HEALTH AND WELLNESS WIC VENDOR HANDBOOK 2019-2021

FORWARD

This revision of the "Tennessee WIC Vendor Handbook" will be in effect from October 1, 2019 through September 30, 2021. It contains recent updates to the WIC Food List, Minimum Stock Requirements and the Vendor Agreement.

As in the past, this handbook is considered part of the current Tennessee WIC Vendor Agreement between authorized WIC vendors and the Tennessee Department of Health. Vendors are required to be in compliance with the policies and procedures presented, else face possible termination of the agreement and possible disqualification from the program.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov.

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TABLE OF CONTENTS

VENDOR INTRODUCTION TO THE WIC PROGRAM---------- **1**

IMPORTANT TERMS FOR WIC VENDORS---------- **3**

WIC VENDOR AGREEMENT---------- **5**

PHARMACY AGREEMENT---------- **9**

TENNESSEE WIC MINIMUM STOCK REQUIREMENTS---------- **13**

TENNESSEE WIC FOOD LIST---------- **19**

TNWIC CARD INFORMATION FOR VENDOR---------- **30**

VENDOR'S TRAINING RESPONSIBILITIES---------- **30**

TNWIC CARD PROCEDURES FOR CASHIERS---------- **31**

NON-PAYMENT OF FOOD INSTRUMENTS AND CASH VALUE VOUCHERS---------- **33**

CLAIMS---------- **34**

VENDOR SANCTION PROCEDURES---------- **32**

ADDITIONAL FACTS REGARDING WIC VENDOR AUTHORIZATION---------- **38**

WHAT IF---------- **42**

WIC PROGRAM REGIONAL CONTACTS---------- **43**

NOTES---------- **44**

VENDOR INTRODUCTION TO THE WIC PROGRAM

WHAT IS THE WIC PROGRAM?

The Special Supplemental Nutrition Program for Women, Infants and Children, commonly known as the WIC Program, is a part of the Food and Nutrition Service of the United States Department of Agriculture. Congress allocates the program's funding and the Department of Health administers the WIC Program throughout Tennessee in conjunction with the regional health offices. The local county health departments directly provide program benefits to qualified participants.

WHAT DOES THE WIC PROGRAM DO?

The WIC Program provides nutrition education and supplemental nutritious foods to eligible pregnant, postpartum, and breastfeeding women whose diets may lack important nutrients essential to the development and growth of healthy babies. Supplemental nutritious foods are also provided to infants and young children up to age five to give the best start for growth and development. Standards for participation in the WIC Program are the same for everyone regardless of race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA. Program eligibility is determined by an assessment of nutritional and/or medical risk and meeting WIC Program residency, identity, and income guidelines. WIC Program eligibility does not affect eligibility in the Supplemental Nutrition Assistance Program (SNAP) or school feeding programs.

WHY ARE ONLY SPECIFIC FOODS INCLUDED IN THE WIC FOOD PACKAGES?

The foods provided by the WIC Program help participants get nutrients they need during important growth periods. The WIC Program also encourages mothers to breastfeed their infants. Because the WIC Program is a supplemental nutrition program, the prescribed foods provided are not all the foods a pregnant or breastfeeding woman, or a child, needs to eat. It does, however, supplement the foods needed to ensure a healthy diet. The WIC Program provides some foods from each of the basic food groups and nutrition education to assist participants in making good choices for the family.

The current WIC food packages reflect the major health and nutrition risks faced by WIC's target population. This includes diets lacking in whole grains and fruit and vegetables, mom's stopping breastfeeding too early and an increase in being overweight and obesity. There have also been increases in the ethnic composition of the WIC population at both the national and state levels. In Tennessee, this includes the Hispanic, Middle Eastern and Asian populations.

HOW DOES THE WIC PROGRAM WORK?

After a health professional has completed the nutritional/medical assessment, a specific food package is prescribed. These prescribed foods can help prevent mental retardation, birth defects and other health problems commonly associated with poor nutrition. The following are commonly prescribed types of WIC approved foods and their benefits.

WIC FOOD	MAJOR NUTRIENTS	FUNCTIONS
Iron Fortified Formula Milk, Cheese, Soy Beverage and Tofu	Iron……	Helps build blood and prevents anemia
	Calcium…….	Helps builds strong bones and teeth and improves muscle and nerve function
	Protein……...	Helps growth and development
	Vitamin A……..	Helps keep eyes and skin healthy
	Vitamins……..	Helps body make use of other nutrients and improves nervous system functions
Eggs	Protein……...	Helps growth and development and building muscles and blood
	Iron……	Helps build blood and prevent anemia
	Vitamin A…….	Helps keep eyes and skin healthy
Cereal, particularly whole wheat and whole grain, and other whole grain products such as bread, various grains, tortillas and pasta.	Iron……	Helps build blood and prevent anemia
	Fiber……..	Helps regulate body functions
	B Vitamins……	Helps body make use of other nutrients Helps nervous system function
Fruit Juice	Vitamin C……..	Helps prevent body function breakdown, strengthens blood vessels, fights infection, and speeds healing
Fresh Fruits and Vegetables	Vitamins & Minerals……	Helps keep the body healthy
	Fiber……..	Helps regulate body functions

IMPORTANT TERMS FOR WIC VENDORS

"Above-50-percent" vendor: A for-profit vendor that receives, or is expected to receive, more than fifty (50) percent of their annual food sales revenue from food instruments.

Administrative review process: How a vendor appeals actions taken against them by the WIC Program.

Approved foods: Types, brands, sizes and varieties of foods that WIC Program participants can receive.

Balance Inquiry: Balance of remaining benefits that can be obtained by a printout at the store register, calling the phone number listed on the back of the TNWIC card (also known as the IVR) or by logging into an online WICConnect account.

Cardholder: A WIC participant or someone authorized by the participant to use the card on their behalf.

Cash Value Benefits (CVB): A fixed-dollar amount of benefits assigned so participants may purchase eligible fruits and vegetables. This term replaces what is formerly known as Cash Value Vouchers (CVV).

Civil Money Penalty (CMP): Payment to the WIC Program in lieu of disqualification.

Claim: The WIC Program may make a claim independent of or in conjunction with a sanction, but not in lieu of a sanction.

Competitive prices: Regular approved foods prices compared to local vendors of similar ownership and sales.

Disqualification: Ending a vendor's WIC Program authorization because of fraud, abuse and/or violations.

Food package: Specific types and amounts of approved foods listed as the benefits.

Food sales: Total amount of the sales of items eligible for purchase under the SNAP.

Incentive Items: Food, non-food, cash or services offered free to program participants as incentive to transact TNWIC benefits at a particular vendor.

Integrated: Vendor accepts TNWIC through their Electronic Cash Register (ECR) system without need a separate device.

IVR: A toll-free customer service line offered by Conduent for participants to set and change PIN numbers as well as obtain current benefit balances and transaction information.

Grocery store: Retail store whose primary business is the sale of food.

Minimum stock requirement: The required quantities of approved foods a grocery must carry.

Not To Exceed (NTE) Amount: The maximum price that a vendor will be reimbursed for a particular food item.

Pattern: Act that occurs two (2) or more times. Patterns established by the Tennessee WIC Program may be based on more than two (2) occurrences.

Peer group: Group of vendors of similar ownership and total sales volume located in the same area.

Pharmacy: Retail establishment licensed by the State of Tennessee to operate as a pharmacy.

Primary Account Number (PAN): The 16-digit number on the front of the TNWIC card.

Program participant: WIC participant, parent/caretaker of an infant or child participant or a designated proxy.

Redemption: Process by which correctly transacted TNWIC card transactions are paid. This amount is also known as a settlement.

Reversal: Partially or completely nullify a previous purchase and add benefits back to the TNWIC card.

Sanction: Disciplinary action given to the vendor for not following the WIC Vendor Agreement requirements.

Settlement: Payment received for a WIC transaction whether integrated or stand-beside.

Split-Tender: Cardholder has the option to pay amount over the maximum value of the CVB with another form of payment.

Stand-Beside: Vendor uses a Point of Sale (POS) device that is separate from their existing ECR to process TNWIC transactions.

Staple foods: Variety of unprepared foods carried by grocery stores that represents various food categories.

Supplemental Nutrition Assistance Program (SNAP): Formerly the Food Stamp Program.

Transaction: Procedure involving the purchase and payment for approved foods.

Value Added Reseller (VAR): Business entity selling or leasing integrated cash register systems.

Vendor: A grocery store or pharmacy authorized to accept TNWIC transactions and provide the approved foods allowed for that type of business.

Violation: Act of non-compliance that occurs or a series of acts that together equate to a violation.

Void: Cancellation of a previously authorized and completed transaction resulting in a reversal.

WIC Food List: The current list of approved foods.

WIC Grocer Price Reports: Forms used to report prices of specific approved foods. There are two versions, one to report all items except therapeutic formula and WIC-eligible nutritionals (formally medical food) and one for reporting those two categories.

WIC Vendor Agreement: Standard written agreement specifying the terms and conditions to be a WIC vendor.

TENNESSEE DEPARTMENT OF HEALTH
DIVISION OF FAMILY HEALTH AND WELLNESS
WIC VENDOR AGREEMENT
FOR 2019 - 2021

TENNESSEE DEPARTMENT OF HEALTH

and

_____
(vendor name)

for

AUTHORIZATION TO PARTICIPATE IN THE TENNESSEE WIC PROGRAM

WHEREAS, the Tennessee Department of Health and _____
(Vendor Name)
desire to enter into an agreement beginning on _____
(Month, Date, Year)
relating to participation in the Tennessee WIC Program.

NOW, THEREFORE, the parties hereby agree as follows:

I. THE TENNESSEE WIC PROGRAM AGREES:

(1) to reimburse authorized vendors for TNWIC benefits successfully and properly redeemed according to this agreement and the WIC Vendor Handbook;
(2) to provide annual training and updated materials to at least one representative of the vendor to support their proper participation in the WIC Program;
(3) to supply WIC Program changes to the vendor in writing; and
(4) to use the same standards for vendor participation in the WIC Program for everyone regardless of race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

II. THE VENDOR AGREES:

(1a) to stock sufficient quantities of approved foods which are not all displayed separately from other staple foods and as defined by the mandatory minimum stock requirement, as presented in the WIC Vendor Handbook, that are within the manufacturer's product eligibility dates and visibly priced as defined in clause (3a) of this section at the time TNWIC benefits are redeemed. When multiple sizes of the same food category are allowed, an attempt is to be made to stock at least one product of the maximum allowed size;
(1b) to purchase infant formula by selecting from a list of wholesalers, distributors, and retailers licensed in the State and formula manufacturers registered with the Food and Drug Administration (FDA), as clarified in the WIC Vendor Handbook and to provide proof upon request;
(2a) to provide only approved foods except as pertaining to clause (14a) of this section; presented only by program participants; only at the time of the transaction at the vendor's authorized location, and not to provide cash or credit (including rain checks) in exchange for TNWIC benefits and/or cards;
(2b) to not allow refunds or exchanges for approved foods provided, except exchanges for food items that are defective, spoiled, or exceed their sell/use by date and only for the exact same brand, type and size approved food item obtained and returned;

(3a) to charge the WIC Program for approved foods at the current price or less than the current price charged to all other customers, except that sales tax shall not be charged for approved foods. Current prices shall be marked on the item or shelf or in a clearly visible location;

(3b) to not charge the WIC Program for approved foods not received by program participants.

(4) to have prices competitive with and not exceed the average shelf price of other vendors in the same peer group and market area by more than fifteen percent (15%);

(5) to properly complete TNWIC transactions on the vendor's premises to abide by procedures of the WIC Program and WIC Vendor Handbook, in order not to abuse, misuse, or defraud the WIC Program;

(6) to properly train and inform store employees of the firm's obligations to the WIC Program, to be accountable for the actions of owners, officers, managers, agents, and employees, and to have in place an effective policy and program to prevent trafficking, which is the exchange of TNWIC benefits and/or cards for cash, and, in addition, the vendor agrees to accept training offered by the WIC Program;

(7) to allow any authorized WIC Program representative to inspect all program related records on hand at any reasonable time and place at the discretion of the WIC Program;

(8a) to produce, upon request of an authorized WIC Program representative, bills of lading or invoices for a period not to exceed the previous ninety (90) days and/or pertinent inventory records used for federal tax reporting purposes, as proof of purchase of merchandise represented as being provided to program participants by redeemed TNWIC benefits. These records shall be original, on commercially printed invoice and/or receipt paper, readable and presented in a logical way;

(8b) to produce upon request of an authorized WIC Program representative, annual food sales information based on sales of all the USDA Supplemental Nutrition Assistance Program (SNAP) eligible foods as clarified in the WIC Vendor Handbook;

(9) to have available the current WIC Food List at all registers, and to post other applicable materials at the request of an authorized WIC Program representative;

(10a) to participate in USDA SNAP and acknowledge that the WIC Program shall disqualify a vendor who has been disqualified from USDA SNAP, and there shall be a Civil Money Penalty (CMP) imposed in lieu of disqualification due to inadequate participant access when solely determined by the WIC Program; voluntary withdrawal from USDA SNAP shall result in termination of the WIC Vendor Agreement;

(10b) to acknowledge that a CMP imposed by USDA SNAP in lieu of disqualification due to inadequate participant access may result in disqualification from the WIC Program;

(10c) to acknowledge that disqualification from the WIC Program may result in disqualification as a retailer in USDA SNAP, and such disqualification may not be subject to administrative or judicial review under USDA SNAP;

(11a) to acknowledge that the WIC Program shall permanently disqualify a vendor convicted of trafficking in WIC benefits 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 TNWIC benefits and/or cards, and that a vendor shall not be entitled to receive any compensation for revenues lost as a result of such violations;

(11b) to acknowledge that, upon one incidence of investigative finding of trafficking, the WIC Program shall disqualify a vendor for trafficking in TNWIC benefits and/or cards or selling firearms, ammunition, explosives, or controlled substances, as defined in (11a) above;

(11c) to acknowledge that, upon one incidence of investigative finding of illegal sales, the WIC Program shall disqualify a vendor for conducting illegal sales, which is the exchange of TNWIC benefits and/or cards for alcohol, alcoholic beverages, or tobacco products;

(12) to not charge Program participants or attempt to seek reimbursement from Program participants for TNWIC transactions not paid or partially paid by the WIC Program;

(13) to acknowledge that Program participants may not be discriminated against based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA;

(14a) to provide suitable hours, visibly posted and adhered to, and environment for participant access, and to offer Program participants any courtesies offered other customers, including, but not limited to: bonus cards, cents off coupons, multiplying of coupon values, and additional products for free;

(14b) that vendors deriving more than fifty (50) percent of their annual food revenue from WIC transactions are prohibited from offering incentive items to WIC participants and if found violating this provision shall not receive payment from the WIC Program, as clarified in the WIC Vendor Handbook;

(15) to serve as or to designate a responsible contact(s) person for this establishment's WIC Program procedures and to inform the WIC Program of management changes**;**

(16) to authorize the Tennessee Department of Revenue to disclose the vendor's revenue figures, as applicable to the collection of sales tax, to the WIC Program for the purpose of administering the WIC Program;

(17) to grant the WIC Program the right to collect any claims (due to overcharges), as assessed in TNWIC transactions due to error, negligence, or fraud;

(18) to declare that all of the statements in this agreement are true and correct;

(19) to notify an authorized WIC Program representative of changes of name, location, ownership, management, and business structure or ending of operations;

(20a) to acknowledge that patterns of non-compliance with clauses (2a), (2b), (3a), (3b), and (17) of this section of this agreement shall result in disqualification from the WIC Program. (The vendor shall be warned following the first act of non-compliance, unless such notification would compromise an investigation or as further clarified in the WIC Vendor Handbook);

(20b) to acknowledge that non-compliance with clauses (1a), (4) through (8b), (12) through (14b) and (18) of this section of this agreement may result in disqualification from the WIC Program. (The vendor shall be warned following the first act of non-compliance that could result in a pattern of non-compliance, unless such notification would compromise an investigation or as further clarified in the WIC Vendor Handbook.);

(21) to comply with this agreement and federal and state statues, regulations, polices, and procedures governing the WIC Program, including changes made during the agreement period;

(22) to comply with the vendor selection criteria throughout the agreement period, including any changes. Using current criteria, the WIC Program may reassess the vendor at any time during the agreement period and terminate the agreement if the vendor fails to meet the current criteria; and

(23) to acknowledge that decisions regarding sanctions resulting from violations of the WIC Program are based on the Vendor Sanction Procedures as presented in the WIC Vendor Handbook.

III. BOTH PARTIES AGREE AS FOLLOWS:

(1) This agreement shall be terminated, if ownership of the vendor's business changes, if the WIC Program identifies a conflict of interest as defined by applicable state laws, regulations, and policies, between the vendor and any WIC Program staff, or may be terminated by either party for negligence, fraud, abuse, violation of the agreement, or for any other reason after providing not less than fifteen (15) days advance notice, unless otherwise stated within the WIC Vendor Handbook.

(2) This agreement shall be immediately terminated, if it is determined that the vendor has provided false information on the Vendor Application for Authorization to Participate in the Tennessee WIC Program.

(3) The vendor agreement does not constitute a license or a property interest as clarified in the WIC Vendor Handbook.

(4) A vendor who commits fraud or abuse of the Program is liable to prosecution under applicable Federal, State or local laws. Under Section 246.12 of the federal regulations, those who have willfully misapplied, stolen or fraudulently obtained WIC Program funds shall be subject to a fine of not more than $25,000 or imprisonment for not more than five (5) years or both.

(5) The WIC Program has the sole right to determine if inadequate participant access exists and impose a Civil Money Penalty (CMP) in lieu of disqualification regarding clauses (11a), (11b), (11c), and (20a) of "THE VENDOR AGREES" section, except where sanctions are issued for the third or greater time.

(6) The WIC Program has the sole right to determine if inadequate participant access exists and impose a CMP in lieu of disqualification regarding clause (20b) of "THE VENDOR AGREES" section.

(7) There shall be a CMP imposed in lieu of disqualification regarding clause (11a) of "THE VENDOR AGREES" section, when the vendor had an effective policy and program to prevent trafficking at the time of the violation and the vendor must also not have been aware of, did not approve of, and were not involved in the conduct of the violation.

(8) The WIC Program shall ensure the vendor the right to request a hearing or administrative review from the State on actions they disagree with affecting their ability to participate in the WIC Program, except for expiration of this agreement, disqualification as a result of USDA SNAP disqualification, and WIC Program decisions regarding participant access.

(9) The WIC Program shall undertake appropriate monitoring, auditing, and review of the vendor at least once a year.
(10) The WIC Vendor Handbook is part of this agreement and is incorporated by reference.
(11) This agreement shall be considered amended upon notice from the WIC Program, should federal or state laws or regulations require or permit amendments.

NOW, THEREFORE, I have read and do understand and agree to the above terms and conditions. The undersigned represents that he/she is either the sole proprietor of the firm or is legally authorized to enter in this agreement on behalf of the ownership of the firm.

_____ _____ _____
Signature of WIC Vendor or Designee Title Date

_____ _____ _____
Signature of Regional Office Designee Title Date

THIS AGREEMENT STARTS _____ AND ENDS SEPTEMBER 30, 2021.
Date

_____ _____ _____
Owner Manager WIC Contact Person

_____ _____ _____ _____
Street Address City State Zip Code

_____
Phone Number

WIC Vendor Number: _____

TENNESSEE DEPARTMENT OF HEALTH
DIVISION OF FAMILY HEALTH & WELLNESS
WIC VENDOR AGREEMENT
FOR PHARMACIES
FOR 2019 - 2021

TENNESSEE DEPARTMENT OF HEALTH

and

_____
(Pharmacy Name)

for

AUTHORIZATION TO PARTICIPATE IN THE TENNESSEE WIC PROGRAM

WHEREAS, the Tennessee Department of Health and _____
(Pharmacy Name)
desire to enter into an agreement beginning on _____
(Month, Date, Year)
relating to participation in the Tennessee WIC Program.

NOW, THEREFORE, the parties hereby agree as follows:

I. THE TENNESSEE WIC PROGRAM AGREES:

(1) to reimburse authorized pharmacies for TNWIC transactions for therapeutic infant formulas and WIC-eligible nutritionals;
(2) to provide annual training and updated materials to at least one representative of the vendor to support their proper participation in the WIC Program;
(3) to supply WIC Program changes to the vendor in writing; and
(4) to use the same standards for vendor participation in the WIC Program for everyone regardless of race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

II. THE PHARMACY AGREES:

(1) to transact TNWIC benefits for therapeutic infant formulas and WIC-eligible nutritionals that are within the manufacturer's product eligibility dates;
(2a) to provide only therapeutic infant formulas and WIC-eligible nutritionals except as pertaining to clause (12a) of this section; presented only by program participants; only at the time of the transaction at the vendor's authorized location, and not to provide cash or credit (including rain checks) in exchange for TNWIC benefits and/or cards;
(2b) to not allow refunds or exchanges for therapeutic infant formulas and WIC-eligible nutritionals provided, except exchanges for items that are defective, spoiled, or exceed their sell/use by date and only for the exact same brand, type and size approved item obtained and returned;
(3a) to charge the WIC Program for therapeutic infant formulas and WIC-eligible nutritionals at the current price or less than the current price charged to all other customers, except that sales tax shall not be charged;
(3b) to not charge the WIC Program for approved foods not received by program participants;

(4) to properly complete TNWIC transactions on the vendor's premises to abide by procedures of the WIC Program and WIC Vendor Handbook, in order not to abuse, misuse, or defraud the WIC Program;

(5) to properly train and inform store employees of the firm's obligations to the WIC Program, to be accountable for the actions of owners, officers, managers, agents, and employees, and to have in place an effective policy and program to prevent trafficking, which is the exchange of TNWIC benefits and/or cards for cash, and, in addition, the vendor agrees to accept training offered by the WIC Program;

(6) to allow any authorized WIC Program representative to inspect all program related records on hand at any reasonable time and place at the discretion of the WIC Program;

(7a) to produce, upon request of an authorized WIC Program representative, bills of lading or invoices for a period not to exceed the previous ninety (90) days and/or pertinent inventory records used for federal tax reporting purposes, as proof of purchase of merchandise represented as being provided to program participants by redeemed TNWIC benefits. These records shall be original, on commercially printed invoice and/or receipt paper, readable and presented in a logical way;

(7b) to produce upon request of an authorized WIC Program representative, annual food sales information based on sales of all the USDA Supplemental Nutrition Assistance Program (SNAP) eligible foods as clarified in the WIC Vendor Handbook or, if requested, the "Self Declaration" for those pharmacies without sales information to submit;

(The following clauses, 8a through 8c are applicable to those pharmacies who are SNAP authorized. Such pharmacies must provide the WIC Program their current SNAP authorization number and are subject to the federal requirements contained in these clauses.)

(8a) to participate in USDA SNAP and acknowledge that the WIC Program shall disqualify a vendor who has been disqualified from USDA SNAP, and there shall be a Civil Money Penalty (CMP) imposed in lieu of disqualification due to inadequate participant access when solely determined by the WIC Program;

(8b) to acknowledge that a CMP imposed by USDA SNAP in lieu of disqualification due to inadequate participant access may result in disqualification from the WIC Program;

(8c) to acknowledge that disqualification from the WIC Program may result in disqualification as a retailer in USDA SNAP, and such disqualification may not be subject to administrative or judicial review under USDA SNAP;

(9a) to acknowledge that the WIC Program shall permanently disqualify a vendor convicted of trafficking in WIC benefits 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 TNWIC benefits and/or cards, and that a vendor shall not be entitled to receive any compensation for revenues lost as a result of such violations;

(9b) to acknowledge that, upon one incidence of investigative finding of trafficking, the WIC Program shall disqualify a vendor for trafficking in TNWIC benefits and/or cards or selling firearms, ammunition, explosives, or controlled substances, as defined in (9a) above;

(9c) to acknowledge that, upon one incidence of investigative finding of illegal sales, the WIC Program shall disqualify a vendor for conducting illegal sales, which is the exchange of TNWIC benefits and/or cards for alcohol, alcoholic beverages, or tobacco products;

(10) to not charge Program participants or attempt to seek reimbursement from Program participants for TNWIC transactions not paid or partially paid by the WIC Program;

(11) to acknowledge that Program participants may not be discriminated against based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA;

(12a) to provide suitable hours, visibly posted and adhered to, and environment for participant access, and to offer Program participants any courtesies offered other customers, including, but not limited to: bonus cards, cents off coupons, multiplying of coupon values, and additional products for free;

(12b) that vendors deriving more than fifty (50) percent of their annual food revenue from TNWIC transactions are prohibited from offering incentive items to WIC participants and if found violating this provision shall not receive payment from the WIC Program, as clarified in the WIC Vendor Handbook;

(13) to serve as or to designate a responsible contact(s) person for this establishment's WIC Program procedures and to inform the WIC Program of management changes;

(14) to authorize the Tennessee Department of Revenue to disclose the vendor's revenue figures, as applicable to the collection of sales tax, to the WIC Program for the purpose of administering the WIC Program;

(15) to grant the WIC Program the right to collect any claims (due to overcharges), as assessed in TNWIC transactions due to error, negligence, or fraud;

(16) to notify an authorized WIC Program representative of changes of name, location, ownership, management, and business structure or ending of operations;

(17a) to acknowledge that patterns of non-compliance with clauses (2a), (2b), (3a), (3b), and (15) of this section of this agreement shall result in disqualification from the WIC Program. (The vendor shall be warned following the first act of non-compliance, unless such notification would compromise an investigation or as further clarified in the WIC Vendor Handbook);

(17b) to acknowledge that non-compliance with clauses (1), (4) through (7b) and (10) through (12b) of this section of this agreement may result in disqualification from the WIC Program. (The vendor shall be warned following the first act of non-compliance that could result in a pattern of non-compliance, unless such notification would compromise an investigation or as further clarified in the WIC Vendor Handbook.);

(18) to comply with this agreement and federal and state statues, regulations, polices, and procedures governing the WIC Program, including changes made during the agreement period;

(19) to comply with the vendor selection criteria throughout the agreement period, including any changes. Using current criteria, the WIC Program may reassess the vendor at any time during the agreement period and terminate the agreement if the vendor fails to meet the current criteria; and

(20) to acknowledge that decisions regarding sanctions resulting from violations of the WIC Program are based on the Vendor Sanction Procedures as presented in the WIC Vendor Handbook.

III. BOTH PARTIES AGREE AS FOLLOWS:

(1) This agreement shall be terminated, if ownership of the vendor's business changes, if the WIC Program identifies a conflict of interest as defined by applicable state laws, regulations, and policies, between the vendor and any WIC Program staff, or may be terminated by either party for negligence, fraud, abuse, violation of the agreement, or for any other reason after providing not less than fifteen (15) days advance notice, unless otherwise stated within the WIC Vendor Handbook.

(2) This agreement shall be immediately terminated, if it is determined that the vendor has provided false information on the Vendor Application for Authorization to Participate in the Tennessee WIC Program.

(3) The vendor agreement does not constitute a license or a property interest as clarified in the WIC Vendor Handbook.

(4) A vendor who commits fraud or abuse of the Program is liable to prosecution under applicable Federal, State or local laws. Under Section 246.12 of the federal regulations, those who have willfully misapplied, stolen or fraudulently obtained WIC Program funds shall be subject to a fine of not more than $25,000 or imprisonment for not more than five (5) years or both.

(5) The WIC Program has the sole right to determine if inadequate participant access exists and impose a Civil Money Penalty (CMP) in lieu of disqualification regarding clauses (9a), (9b), (9c), and (17a) of "THE VENDOR AGREES" section, except where sanctions are issued for the third or greater time.

(6) The WIC Program has the sole right to determine if inadequate participant access exists and impose a CMP in lieu of disqualification regarding clause (17b) of "THE VENDOR AGREES" section.

(7) There shall be a CMP imposed in lieu of disqualification regarding clause (9a) of "THE VENDOR AGREES" section, when the vendor had an effective policy and program to prevent trafficking at the time of the violation and the vendor must also not have been aware of, did not approve of, and were not involved in the conduct of the violation.

(8) The WIC Program shall ensure the vendor the right to request a hearing or administrative review from the State on actions they disagree with affecting their ability to participate in the WIC Program, except for expiration of this agreement, disqualification as a result of USDA SNAP disqualification, and WIC Program decisions regarding participant access.

(9) The WIC Program shall undertake appropriate monitoring, auditing, and review of the vendor at least once a year.

(10) The WIC Vendor Handbook is part of this agreement and is incorporated by reference.

(11) This agreement shall be considered amended upon notice from the WIC Program, should federal or state laws or regulations require or permit amendments.

NOW, THEREFORE, I have read and do understand and agree to the above terms and conditions. The undersigned represents that he/she is either the sole proprietor of the firm or is legally authorized to enter in this agreement on behalf of the ownership of the firm.

_____	_____	_____
Signature of WIC Vendor or Designee	Title	Date

_____	_____	_____
Signature of Regional Office Designee	Title	Date

THIS AGREEMENT STARTS _____ AND ENDS SEPTEMBER 30, 2021.
Date

_____	_____	_____
Owner	Manager	WIC Contact Person

_____	_____	_____	_____
Street Address	City	State	Zip Code

_____
Phone Number

WIC Vendor Number: _____

TENNESSEE WIC PROGRAM MINIMUM STOCK REQUIREMENTS

EFFECTIVE OCTOBER 1, 2019 – SEPTEMBER 30, 2021

GENERAL INFORMATION:

1. **Minimum quantities for all required categories and items must be stocked at all times regardless of the number of WIC transactions at any given time. Failure to do so may result in termination of the WIC Vendor Agreement and/or disqualification as an authorized WIC vendor. Adjustments to these quantities may be made during the effective period upon notification by a WIC Program representative.**

2. **Only approved foods within the manufacturer's product eligibility dates and priced in a clearly visible location will be counted towards meeting minimum stock.**

3. **When multiple sizes of the same food category are allowed, the vendor is expected to attempt to stock at least one product of the maximum allowed size.**

4. There are (3) different minimum stock lists, depending on whether they are a major chain, large independent, small independent, etc. Regional Vendor Representatives will notify each vendor applicant or authorized vendor as to which list applies to their location.

5. Remarks in the "Comments" column provide general information for stocking each food category. Refer to the "Tennessee WIC Food List" for specifics.

6. Where it says "Optional," vendors have the option of carrying the suggested amounts of that category or item. If a vendor chooses to stock these items, the minimum stock requirements must be met.

7. Each list includes the federal requirement that at least one (1) variety of eligible cereal stocked must be a whole grain cereal.

8. Each list includes minimum stock for Cash Value Benefits (CVBs) to be used for purchasing fruits and vegetables. This includes the federal requirement that at least a minimum of two (2) varieties of eligible fruits and two (2) varieties of eligible vegetables must be stocked at all times.

TENNESSEE WIC PROGRAM
MINIMUM STOCK REQUIREMENTS EFFECTIVE
OCTOBER 1, 2019 – SEPTEMBER 30, 2021

STOCK LIST ASSIGNMENTS

Effective June 1, 2018, the three (3) different minimum stock lists are based on WIC sales volume. Vendor stock list groupings have been assigned using WIC sales volume during the previous federal fiscal year or average monthly redemptions (whichever is available). Vendors have been assigned as follows:

STOCK LIST ASSIGNMENT	FFY WIC SALES ($)		AVERAGE MONTHLY WIC SALES ($)
1. SMALL	Less than $50,000		Less than $4,166
2. MEDIUM	$50,000 – Less than $125,000	**OR**	$4,166 – Less than $10,417
3. LARGE	Greater than or equal to $125,000		Greater than or equal to $10,417

NOTES:

A semi-annual review of WIC sales will help to determine if there has been a significant increase or decrease. Such situations will be investigated and determined if changes are needed on a case-by-case basis.

New vendor applicants' projected sales will be used to determine the appropriate stock list group based on the classifications above. The original stock list assignment can be confirmed or changed at the time of the required visit to reassess the decision to authorize that vendor applicant.

FOOD FOR WOMEN AND CHILDREN

CATEGORY	MINIMUM REQUIREMENT			COMMENTS
	Large	**Medium**	**Small**	
Fluid Milk	16 gallons with at least 12 in other than whole or 2%	12 gallons with at least 9 in other than whole or 2%	8 gallons with at least 4 in other than whole or 2%	May include combination of whole, reduced fat (2%), low-fat (1%), non-fat (skim) or sweet acidophilus (1%) in gallon containers.
Lactose Reduced Milk; Lactose Free Milk	16 quarts or 8 half-gallons (cannot be combination of size but can be combination of "Reduced" and "Free")	**Optional:** 8 quarts or 4 half-gallons (cannot be combination of size but can be combination of "Reduced and "Free")	**Optional:** 4 quarts or 2 half-gallons (cannot be combination of size but can be combination of "Reduced and "Free")	
Eggs	8 dozen Grade A Large	6 dozen Grade A Large	4 dozen Grade A Large	White eggs only in cartons of 12.
Cheese	8 lbs.	6 lbs.	4 lbs.	May include combination of eligible varieties or blends thereof in 8 oz. **or** 16 oz. packages; Store brand/private label only unless only dairy & national brands carried.
Yogurt	6 (32 oz) tubs (must be combination of low-fat or non-fat and at least 1 of these options being whole fat)	5 (32 oz) tubs low-fat or non-fat (any additional can be whole, low-fat or non-fat)	**Optional:** 4 (32 oz) tubs or 2 (32 oz) tubs and 2 (4 oz) 4-pack low-fat or non-fat (any additional can be whole, low-fat or non-fat)	Food List states eligible brands.
Tofu; Evaporated Milk	3 (16 oz) packages of tofu or 3 (12 oz) cans of evaporated milk or combination thereof	**Optional:** 2 (16 oz) packages of tofu or 2 (12 oz) cans of evaporated milk or combination thereof	**Optional:** 1 (16 oz) package of tofu or 1 (12 oz) can of evaporated milk	Food List states eligible brands of tofu; Evaporated milk can be any eligible brand.
Non-fat Dry Powdered Milk	**Optional:** 3 (9.6 oz) packages	**Optional:** 2 (9.6 oz) packages	**Optional:** 1 (9.6 oz) packages	The 9.6 oz package is the only eligible size. It constitutes to the allowed amount of 3 qts.
Buttermilk	3 quarts low-fat (any additional can be whole or low-fat)	**Optional:** 2 quarts low-fat (any additional can be whole or low-fat)	**Optional:** 1 quart low-fat (any additional can be whole or low-fat)	
Soy Beverage	12 quarts or 6 half-gallons (not in combination)	**Optional:** 12 quarts or 6 half-gallons (not in combination)	**Optional:** 8 quarts or 4 half-gallons (not in combination)	Food List states eligible brands and sizes.

FOOD FOR WOMEN AND CHILDREN

CATEGORY	MINIMUM REQUIREMENT			COMMENTS
	Large	**Medium**	**Small**	
Dried Beans/Peas; Canned Beans	4 (1 lb) bags of dried beans/peas or 16 (15-16 oz) cans of canned beans	3 (1 lb) bags of dried beans/peas or 12 (15-16 oz) cans of canned beans	2 (1 lb) bags of dried beans/peas or 8 (15-16 oz) cans of canned beans	May include cans or packages of mixed beans.
Juice	12 (11.5-12 oz) frozen and/or 12 (48 oz) shelf containers or combination thereof representing at least 3 flavors; 8 (64 oz) plastic containers representing at least 3 flavors	9 (11.5-12 oz) frozen and/or 9 (48 oz) shelf containers or combination thereof representing at least 3 flavors ; 6 (64 oz) plastic containers representing at least 2 flavors	6 (11.5-12 oz) frozen and/or 6 (48 oz) shelf containers or combination thereof representing 2 flavors and 4 (64 oz) plastic containers representing at least 2 flavors	May include combination of eligible flavors and brands; Calcium fortified juices are eligible; No bottle or carton juice from dairy cases except orange juice.
Peanut Butter	4 (16 – 18 oz) jars	3 (16 – 18 oz) jars	2 (16 – 18 oz) jars	May include combination of creamy (smooth) or chunky (crunchy).
Tuna	12 (5 oz) cans	12 (5 oz) cans	6 (5 oz) cans	Light tuna only. May include combination of oil or water packed. No albacore.
Salmon; Jack Mackerel	4 (14.75 oz) cans of salmon and/or 4 (15 oz) cans of jack mackerel or combination thereof	4 (14.75 oz) cans of salmon and/or 4 (15 oz) cans of jack mackerel or combination thereof	**Optional:** 2 (14.75 oz) cans of salmon or 2 (15 oz) cans of jack mackerel	May include salmon with bones or skin.
Sardines	16 (3.75 oz) cans	8 (3.75 oz) cans	**Optional:** 8 (3.75 oz) cans	May include products in tomato or mustard sauce.
Cereals	12 packages representing at least 4 kinds	10 packages representing at least 3 kinds	6 packages representing at least 2 kinds	May include combination of eligible cold and hot cereals. Must include at least one (1) eligible whole grain cereal.
Whole Wheat/ Whole Grain Breads and/or Other Whole Grain Options	4 (16 oz) bread, buns, and/ or rolls representing at least 2 varieties;4 (16 oz) other grains, tortillas or whole wheat macaroni (pasta) representing at least 2 varieties	3 (16 oz) bread, buns, and/or rolls representing at least 1 variety; 3 (16 oz) other grains, tortillas or whole wheat macaroni (pasta) representing at least 2 varieties	2 (16 oz) bread, buns, and/or rolls representing at least 1 variety; 2 (16 oz) other grains, tortillas or whole wheat macaroni (pasta) representing at least 1 variety	Breads include bread, buns and rolls. Food List states eligible brands; other options include brown rice, bulgur, oatmeal, barley, soft corn tortillas, whole wheat tortillas or whole grain macaroni (pasta). Food List & Cashier Card state eligible brands of tortillas and macaroni (pasta).

FOOD FOR WOMEN AND CHILDREN

CATEGORY	MINIMUM REQUIREMENT			COMMENTS
	Large	**Medium**	**Small**	
Fruits	At least 4 varieties	At least 3 varieties	At least 2 varieties	Can combine eligible fresh and frozen.
Vegetables	At least 4 varieties; Minimum of $40 worth of eligible fruits & vegetables	At least 3 varieties; Minimum of $30 worth of eligible fruits & vegetables	At least 2 varieties: Minimum of $20 worth of eligible fruits & vegetables	Can combine eligible fresh and frozen.

FOOD FOR INFANTS

CATEGORY	MINIMUM REQUIREMENT			COMMENTS
	Large	**Medium**	**Small**	
Concentrate Infant Formula: Milk and Soy Based	**Optional:** 20 (13 oz) cans of milk based **or** 20 (13 oz) cans of soy based	**Optional:** 20 (13 oz) cans of milk based **or** 20 (13 oz) cans of soy based	**Optional:** 20 (13 oz) cans of milk based **or** 20 (13 oz) cans of soy based	WIC standard concentrate formulas: Similac Advance (milk based) Similac Soy Isomil (soy based)
Powder Infant Formula: Milk and Soy Based	**Required:** 20 (12.4 oz) containers of milk based **and** 10 (12.4 oz) containers of soy based	**Required:** 20 (12.4 oz) containers of milk based **Optional:** 10 (12.4 oz) containers of soy based	**Required:** 10 (12.4 oz.) containers of milk based **Optional:** 10 (12.4 oz) containers of soy based	WIC standard powder formulas: Similac Advance (milk based) Similac Soy Isomil (soy based)
Similac Total Comfort	**Required:** 10 (12 oz) containers	**Optional:** 10 (12 oz) containers	**Optional:** 10 (12 oz) containers	Available in powder only
Similac Sensitive	**Required:** 10 (12 oz) containers	**Optional:** 10 (12 oz) containers	**Optional:** 10 (12 oz) containers	Minimum is for Powder
Similac for Spit-Up	**Required:** 10 (12.3 oz) containers	**Optional: 1**0 (12.3 oz) containers	**Optional:** 10 (12.3 oz) containers	Minimum is for Powder
Infant Cereals	12 (8 oz) boxes representing at least 3 kinds	9 (8 oz) boxes representing at least 2 kinds	6 (8 oz) boxes representing at least 1 kind	May include boxes of mixed grains. Food List states eligible brands.

FOOD FOR INFANTS

CATEGORY	MINIMUM REQUIREMENT			COMMENTS
	Large	**Medium**	**Small**	
Infant Fruits and Infant Vegetables	128 (4 oz) containers **or** jars representing at least 6 kinds	96 (4 oz) containers **or** jars representing at least 6 kinds	64 (4 oz) containers **or** jars representing at least 4 kinds	Single or mixed foods. Food List states eligible brands. Two-packs are allowed.
Infant Meat	42 (2.5oz) jars representing at least 2 kinds	21 (2.5 oz) jars representing at least 2 kinds	**Optional:** 21 (2.5 oz) jars representing at least 2 kinds	Single type or plain meat or poultry in gravy or broth. Food List states eligible brands.

7/1/19

TENNESSEE WIC FOOD LIST
OCTOBER 1, 2019 – SEPTEMBER 30, 2021

(Current as of July 2, 2019, subject to additional changes prior to October 1, 2019.)

MILK

Fluid Milk (Gallon size/any brand) in the following:
Low fat (1%)
Fat-free (skim)
Sweet Acidophilus (1%)

ALLOWED WHEN LISTED ON BENEFITS:
Reduced fat (2%)
Whole milk (Ages 12-23 months only)
Lactose-free milk (Largest available size including quarts or half-gallons)
Ultra-high temperature milk (UHT)
Non-fat dry powdered milk
Buttermilk
Evaporated milk

NOT ALLOWED:
Chocolate milk
Non-dairy beverages except soy beverage when allowed on benefits
Organic

CHEESE

The following are allowed in 8 or 16 oz packages up to the number of ounces stated on the benefits. They must be purchased in store brand/private label only unless store carries only dairy or national brands:

There is one exception to the store brand/private label only policy: Cabot brand in blocks when listed on the benefits.

ALLOWED:
Block
Sliced (Includes individually wrapped NOT labeled cheese food, cheese product or imitation cheese) or
String, Stick, Shredded or Cubed of:
Mozzarella, Cheddar, Colby, Monterey Jack, Process American (Deluxe), Provolone, Swiss and Muenster in 8 or 16 oz. size packages.
Blended cheeses of any of the above
Cheeses that are labeled low, free, reduced, less or light in sodium, fat or cholesterol

NOT ALLOWED:
Added ingredients or seasonings
Flavored cheeses such as smoked
Cheese foods, spreads, or product
Imitation cheese
Imported cheese
Cheese from store delicatessen or cheese shop
Organic

TOFU

Allowed when specified on the benefits

Please Note: Eligible tofu must be calcium-set prepared with calcium salts (e.g. calcium sulfate) but may also contain other coagulants (e.g. magnesium chloride).

ALLOWED:
Organic

NOT ALLOWED:
Added fats, sugars, oils or sodium
"Seasoned Tofu"

ONLY THE FOLLOWING PRODUCTS IN 16 OZ. PACKAGES:
Nasoya: Silken

Azumaya: Firm, Extra-Firm, Silken

SOY BEVERAGE

ALLOWED WHEN SPECIFIED ON THE BENEFITS: Participant must choose between the two and then purchase the largest size available

Flavored or un-flavored
Refrigerated or non-refrigerated
Organic products

ONLY THE FOLLOWING BRANDS AND FLAVORS:
Pacific Natural - Ultra Soy Original (non-refrigerated)

8th Continent - Soymilk Original, Soymilk Vanilla in half-gallon (refrigerated)

Silk - Original in quarts and half-gallon (refrigerated)

EGGS

Dozen, Grade A large white eggs

NOT ALLOWED:
Brown eggs
Specialty eggs including those labeled organic
Dried eggs mix or hard boiled eggs

YOGURT

NATIONAL BRANDS IN LOW-FAT AND NON-FAT:
Activia – 4-Pack: Black Cherry, Blackberry/Blueberry Fusion, Blueberry, Cherry/Vanilla Fruit Fusion, Coconut/Pineapple, Peach, Peach Lactose Free, Peach/Mango Fruit Fusion, Prune, Strawberry, Vanilla, Vanilla Lactose Free

Chobani – 32 oz Tub: Nonfat Greek Vanilla, Nonfat Plain, Nonfat Strawberry, Peach, Plain; 4-Pack: Strawberry Banana, Strawberry

Dannon – Natural Flavors 32 oz Tub: Low-fat Vanilla, Low-Fat Plain, Non-Fat Plain, Nonfat Strawberry, Nonfat Strawberry Banana; Oikos 32 oz Tub: Plain 0%, Vanilla 0%, Triple Zero Vanilla, Fat Free Greek Plain, Nonfat Vanilla

Gogurt – Tubes: 32 oz – Cotton Candy, Frozen, Raspberry, XL Peach, XL Strawberry Simply Gogurt Strawberry, Guardians of the Galaxy, Low fat Blueberry, Paw Patrol, Scooby Doo, Sponge Bob; 16 oz – Avengers, Berry Strawberry, Cookies N' Cream, Melon Berry, Ninja Turtle, Sour Patch Kids, Sponge Bob, Strawberry Berry, Strawberry Punch, Simply Gogurt Strawberry

Lala – 32 oz Tub: Low-Fat Mixed Berry, Pina Colada, Mango, Peach, Strawberry-Banana, Strawberry

Nuestra Cocina – 32 oz Tub: Plain low-fat

Prairie Farms – 32 oz Tub: Fat Free Greek

Yoplait – 32 oz Tub: Low-Fat Original Vanilla, Strawberry, Strawberry-Banana, Harvest Peach, Fat Free Original Plain, Greek 100 Fat Free Plain, Vanilla; 8-Pack: Finding Dory, Guardians of the Galaxy, Blueberry, Paw Patrol, Scooby Doo, Sponge Bob

STORE BRAND/PRIVATE LABEL IN LOW-FAT AND NON-FAT:
Best Choice – 32 oz Tub: Greek Nonfat Plain, Low-Fat Strawberry, Low-Fat Vanilla, Plain Nonfat

Coburn Farms (Save-A-Lot) – 32 oz Tub: Low-Fat Vanilla, Plain, Greek Nonfat, Vanilla Greek Nonfat

Crowley – 32 oz Tub: Fat Free Vanilla, Low Fat Plain

Essential Everyday (Supervalu) – 32 oz Tub: Blended Vanilla

Food Club – 32 oz Tub: Blended Strawberry Low-Fat, Greek Nonfat Plain, Greek Nonfat Strawberry, Blended Low-Fat Vanilla, Plain

Food Lion – Greek Non-Fat Plain, Greek Non-Fat Vanilla, Low-Fat Vanilla; Non-Fat Plain

Friendly Farms – 32 oz Tub: Plain, Vanilla Greek Nonfat

Great Value (Walmart) – 32 oz Tub: Low-Fat Vanilla, Strawberry, Strawberry Banana, Peach, Non-Fat Plain, Nonfat Vanilla, Nonfat Strawberry, Greek Non-Fat Plain, Greek Non-Fat Vanilla, Greek Non-Fat Strawberry

Kroger – 32 oz Tub: Low-Fat Plain, Vanilla; Non-Fat Plain, Greek Plain

Laura Lynn (Ingles) – 32 oz Tub: Greek Vanilla, Low-Fat Peach, Low-Fat Vanilla, Low-Fat Strawberry, Nonfat Plain Greek, Nonfat Plain

Market Pantry – 32 oz Tub: 1% Vanilla, Nonfat Plain

Morning Fresh Farms – 32 oz Tub: Low-Fat Vanilla; Non-Fat Plain

Simply Balanced – 32 oz Tub: Plain Greek Nonfat, Vanilla Greek

Taste of Inspirations – 32 oz Tub: Greek Non-Fat Vanilla, Plain

NATIONAL BRANDS IN WHOLE FAT:
Dannon – Plain Natural; Oikos Plain 4%, Strawberry, Vanilla
Chobani Greek – Plain 4%

STORE BRAND/PRIVATE LABEL IN WHOLE FAT:
Food Club – Greek Whole Milk Vanilla
Food Lion – Greek Whole Milk Plain
Great Value (Walmart) – Greek Whole Milk
Karoun Dairies – Plain
Kroger – Plain, Vanilla
Tazah - Plain

FRUITS AND VEGETABLES

All fruits and vegetables are to be purchased with the fruit and vegetable Cash Value Benefits (CVB) except juices, dried beans or peas and canned beans which must be purchased with food benefits.

ALLOWED:
Any variety of…
Fresh whole or cut fruit without added sugars
Frozen fruits without added sugars, fats, oils, or salt (e.g., sodium)
Fresh whole or cut vegetables without added sugars, fats, oils, herbs, or spices
Frozen vegetables without added sugars, fats, oils, breading, herbs, or spices in regular or low sodium
For frozen fruits and vegetables, the fruit or vegetable must be listed as the first ingredient
Organic products
White potatoes, orange yams and sweet potatoes allowed in fresh or frozen
Broccoli, cauliflower and artichokes

NOT ALLOWED:
Edible blossoms or flowers [e.g. squash blossoms]
Dried fruit or vegetables
Ketchups or other condiments, pickled vegetables or olives
Soups
Fruit leathers or fruit roll-ups
Bundled packages of herbs or spices
Vegetable-grain [pasta or rice mixtures], breaded vegetables or creamed or sauced vegetables
Fruit/nut mixtures, fruit basket, party trays, or fruits or vegetables from salad bars
Peanuts or other nuts
Ornamental or decorative fruits or vegetables [e.g. chili peppers on a string, garlic on a string or gourds]
Foods containing fruits such as blueberry muffins and other baked goods
Home canned or home preserved fruits and vegetables

JUICES

ALLOWED:
Juices fortified with calcium
Juice blends
Grapefruit juice includes white, ruby red, and pink

NOT ALLOWED:
Sweetened juices, fruit drinks, or juice cocktails
Labeled organic
Bottle or carton juice from dairy case (except as noted below in 64 oz juice)
Added spices

48 OZ. CAN OR PLASTIC BOTTLE
Grapefruit - Any Brand (if labeled 100% Juice and at least 120% of Daily Requirement of Vitamin C)
Orange - Any Brand (if labeled 100% Juice and at least 120% of Daily Requirement of Vitamin C)
Juicy Juice - All Flavors
Lucky Leaf – Apple
Northland – Cranberry
Seneca – Apple

11.5/12 OZ. FROZEN
Grapefruit - Any brand (labeled 100% Juice and at least 120% of Daily Requirement of Vitamin C)
Orange - Any brand (labeled 100% Juice and at least 120% of Daily Requirement of Vitamin C)
Dole – Pineapple
Old Orchard – Apple, Berry Blend, Cranberry Blend, Grape, Pineapple
Seneca – Apple
Welch's – Grape, White Grape
Welch's White Grape Blends - Cranberry, Raspberry, Peach

64 OZ. PLASTIC BOTTLE
Grapefruit - Any brand (labeled 100% Juice and at least 120% of Daily Requirement of Vitamin C)
Orange - Any brand (labeled 100% Juice and at least 120% of Daily Requirement of Vitamin C) (includes refrigerated Orange Juice in 64 oz)
Campbell's Tomato Juice - Regular, Low Sodium
Juicy Juice - All flavors
Langer – Apple, Apple/Cranberry, Apple/Grape, Apple/Orange/Pineapple, Harvest Apple Plus, Orange, Pineapple w/Vitamin C
Libby's – Pineapple
Lucky Leaf – Apple
Mott's – Apple Original, Apple/Cherry, Apple/White Grape
Northland – Blueberry/Blackberry/Acai, Cranberry, Cranberry/Blackberry, Cranberry/Blueberry, Cranberry/Grape, Cranberry/Pomegranate, Cranberry/Raspberry, Pomegranate/Blueberry
Musselman's – Apple
Old Orchard – Apple, Apple/Cherry, Apple/Cranberry, Apple/Kiwi Strawberry, Apple/Raspberry, Berry Blend, Black Cherry/Cranberry, Blueberry/Pomegranate, Cranberry/Pomegranate, Cranberry/Raspberry, Grape, Kiwi/Strawberry, Orange, Peach/Mango, Pineapple, Pineapple/Orange, White Grape, Wild Cherry
Seneca - Apple
V8 100% Vegetable Juice -Regular, Low Sodium, Spicy Hot
Welch's – Grape, White Grape, Red Grape, White Grape/Peach, White Grape/Raspberry
White House – Apple; Natural Apple

COLD CEREAL (11 oz. minimum package)

(Cereal with added pieces such as nuts or clusters is not recommended for children under 3)

(*) Indicates Whole Grain

General Mills
*Cheerios - Regular
*Multi-Grain Cheerios
Dulce de Leche Cheerios
*Whole Grain Total (Wheat)
*Wheaties
Corn Chex
Rice Chex
*Wheat Chex

*Kix - Regular
*Honey Kix
*Berry Berry Kix
*Fiber One Honey Clusters
Dora the Explorer

Kellogg's

*All-Bran Complete Wheat Flakes
Rice Krispies
Crispix
Corn Flakes
Product 19
Special K Original
*Mini Wheats – Frosted Original
*Mini Wheats – Frosted Little Bites
*Mini Wheats – Unfrosted Bite Size
Mini Wheats – Frosted Blueberry
Mini Wheats – Frosted Raisin in the Middle
Mini Wheats – Frosted Strawberry
Mini Wheats – Touch of Fruit

Post

*Bran Flakes
*Grape Nuts Flakes
*Grape Nuts – Original
*Alpha Bits
Honey Bunches of Oats – Honey Roasted
Honey Bunches of Oats - Almonds
Honey Bunches of Oats – Cinnamon Bunches
*Honey Bunches of Oats –Vanilla Bunches
*Honey Nut Shredded Wheat
*Great Grains Banana Nut Crunch
*Whole Grain Almond Crunch

Quaker

*Life - Original
*Oatmeal Squares – Brown Sugar
Oatmeal Squares – Cinnamon

MOM Brands (Malt-O-Meal)

Crispy Rice
*Frosted Mini Spooners
*Strawberry Cream Mini Spooners
*Blueberry Mini Spooners
Oat Blenders with Honey
Oat Blenders with Honey & Almonds

SUNBELT BAKERIES

*Simple Granola Whole Grain

STORE BRANDS/PRIVATE LABEL

Eligible Varieties (Package Size Must be at Least 11 oz):
Corn Flakes
Crisp Rice, Crispy Rice
*Toasted Oats, Tasteeo's, Rollin' Oats

Please Note: Food List pamphlet will list specific brands

HOT CEREAL (11 oz. minimum package)

(Cereal with added pieces such as nuts or clusters is not recommended for children under 3)
(*) Indicates Whole Grain

B & G -- Cream of Wheat

Cream of Wheat – Regular in 1 minute (box)
Cream of Wheat – Regular in 2 ½ minutes (box)
*Cream of Wheat – Whole Grain in 2 ½ minutes
Cream of Wheat – Original (1 oz pks)
Cream of Rice (14 oz box)

Quaker Oats

*Instant Oatmeal – Regular (.98 oz pks)
Instant Grits – Original
Instant Grits – Original (1 oz pks)
Instant Grits – Butter (1 oz pks)

MOM Brands (Malt-O-Meal)

Malt-O-Meal Original Hot Wheat
Malt-O-Meal Chocolate Hot Wheat
Malt-O-Meal CoCo Wheats

PEANUT BUTTER

16 oz. through 18 oz. Glass or Plastic Jar:

(Peanut Butter is not provided for children under the age of 2)

ALLOWED:

Creamy {Smooth} or Chunky {Crunchy}
Can be refrigerated or non-refrigerated
Salted or unsalted
Added vitamins

NOT ALLOWED:

Reduced fat
Spreads
Marshmallows, honey, jelly, chocolate or similar ingredients
Store ground
Organic

DRIED BEANS/PEAS

Any type of mature dry beans, peas or lentils in 16 oz. bag:

(Available varieties include, but not limited to black beans, black-eyed peas, garbanzo beans {chickpeas}, great northern beans, white beans {navy and pea beans}, kidney beans, mature lima beans {butter beans}, fava and mung beans, pinto beans, soy beans/edamame, split peas and lentils)

NOT ALLOWED:

Seasoning packets
Organic

CANNED BEANS

Any brand and variety of plain beans in 15-16 oz. cans:

(Also includes garbanzo beans {chick peas}, black-eyed peas, crowder peas, and purple hull peas)

ALLOWED:
Products with small amount of added sugar
Products labeled reduced sodium
Baked beans allowed when specified on the benefits

NOT ALLOWED:
Green peas, green beans, lima beans, snap beans, yellow beans, and wax beans
Added meat, sauces, spices, vegetables or fruits
Soups
Organic

CANNED FISH (LIGHT TUNA, SALMON and SARDINES)

Light Tuna:
Any brand in 5 oz. cans
(No Albacore or Yellowfin tuna)

Pink or Red Salmon:
Any brand in 14.75 oz. cans

Sardines:
Any brand in 3.75 oz. cans

Mackerel:
Any brand jack mackerel in 15 oz. cans
(No king mackerel)

For all of the above:
Added sauces and flavorings, e.g., tomato sauce, mustard, or lemon allowed
Packaging may include bones or skin
May be regular or lower in sodium
Can be oil or water packed
No smoked products
None labeled organic

WHOLE WHEAT BREAD/ WHOLE GRAIN BREAD/ AND OTHER WHOLE GRAIN PRODUCTS

Whole Wheat/Whole Grain Bread in 16 oz. Packaging:

Please Note: Eligible bread products must have whole wheat or whole grain as the primary ingredient by weight. Whole wheat products must have “whole wheat flour” and/or “bromated flour” as the only flours listed in the ingredients. Whole grain products must be labeled as a “whole grain food with moderate fat content”.

ALLOWED:
Seeds

NOT ALLOWED:
None can be purchased from in-store bakery
Sugar-free
Swirls such as cinnamon or honey
Added fruit or nuts, e.g., raisins
Labeled organic

ELIGIBLE BRANDS:
100% Whole Wheat: Bimbo, Bunny, Pepperidge Farm Very Thin Sliced, Roman Meal Sungrain, Sara Lee Classic Whole Wheat Bakery Bread, Wonder Soft, Nature's Own with Honey, Holsum, Healthy Life

100% Whole Wheat Store Brand/Private Label: Food Lion, Best Choice, Kern's (Food City), Kroger, Grissom's Mill (Save-A-Lot)

Stone Ground 100% Whole Wheat: Pepperidge Farm

Whole Wheat/Whole Grain Buns, and Rolls in 16 oz Packaging:

Please Note: Eligible buns and rolls must have whole wheat or whole grain as the primary ingredient by weight. Whole wheat products must have "whole wheat flour" and/or "bromated flour" as the only flours listed in the ingredients. Whole grain products must be labeled as a "whole grain food with moderate fat content".

ALLOWED:
Seeds

NOT ALLOWED:
None can be purchased from in-store bakery
Sugar-free
Swirls such as cinnamon or honey
Added fruit or nuts, e.g., raisins
English muffins or bagels
Labeled organic

ELIGIBLE BRANDS:
100% Whole Wheat Sandwich Buns: Healthy Life Soft Style

100% Whole Wheat Hamburger Buns: Arnold/Orowheat Select, Sara Lee Soft & Smooth

100% Whole Wheat Hot Dog Buns: Arnold/Orowheat Select, Healthy Life Soft Style, Sara Lee Soft & Smooth

Soft Corn and Whole Wheat Tortillas in 16 oz Packaging:

Please Note: Eligible tortillas must have the wheat or corn as the primary ingredient by weight. Whole wheat products must have whole wheat flour as the only flour listed in the ingredients. Corn products must be made from whole grain corn or ground masa flour (corn flour) and be labeled as a "whole grain food with moderate fat content".

ELIGIBLE BRANDS:

Whole Wheat:
Chi Chi's – Whole Wheat Fajita Size
Mission - 100% Whole Wheat Restaurant Style; Fajita Size, Soft Taco Size
Ortega – Whole Wheat
La Banderita - Whole Wheat

Whole Wheat Store Brand/Private Label:
Great Value – Whole Wheat
Kroger - 100% Whole Wheat Soft Taco Size
Best Choice - 100% Whole Wheat Soft Taco Size

Tio Santi Whole Wheat (Save-A-Lot)
Laura Lynn – Whole Wheat

Soft Yellow Corn/White Corn:
Chi Chi's – White Corn
Don Pancho – Corn, Whole Wheat
La Banderita - White Corn, Mission Yellow Corn Extra Thin
La Burrita – Corn
Laura Lynn – White Corn

Corn Store Brand/Private Label:
Best Choice
Shurfresh

100% Whole Wheat Macaroni (Pasta) in 16 oz Packaging:

Please note: Eligible macaroni (pasta) products must have "whole wheat flour" and/or "whole durum wheat flour" as the only flours listed in the ingredients. Other shapes and sizes that meet these requirements (e.g., whole wheat rotini and whole wheat penne) are also allowed.

NOT ALLOWED:
Added sugar, fats, oils or salt {e.g., sodium}

ELIGIBLE BRANDS:
Hodgson Mill – Spaghetti, Angel Hair, Thin Spaghetti, Whole Wheat Spirals, Elbow
Gia Russa - Angel Hair, Linguine, Penne Rigate, Roman Rigatoni, Rotini, Spaghetti
Barilla - Spaghetti, Penne, Angel Hair, Elbows, Linguine, Medium Shells, Penne, Rotini, Thin Spaghetti
Ronzoni Healthy Harvest – Linguine, Penne Rigate, Rotini, Spaghetti, Thin Spaghetti

STORE BRAND/PRIVATE LABEL:
Essential Everyday (Supervalu) – Spaghetti, Thin Spaghetti, Macaroni, Penne, Rotini
Shurfine – 100% Whole Wheat Spaghetti, Penne Rigate
Great Value – Elbow Macaroni, Linguine, Penne, Rotini, Spaghetti, Thin Spaghetti
Kroger – Thin Spaghetti, Spaghetti, Rotini, Penne Rigate
Laura Lynn – Penne, Rotini, Spaghetti

Other Whole Unprocessed Grains in 16 oz Packaging:

Any brand of brown rice, bulgur (cracked wheat), oatmeal and whole grain barley without added sugars, fats, oils or salt.

ALLOWED: Can be instant, quick or regular cooking

NOT ALLOWED:
Pearled barley
Organic

INFANT FORMULA

The brand of standard infant WIC formula in Tennessee is determined through the state's competitive bid process. The currently available infant formula each participant is to receive will be stated on their benefits.

INFANT CEREAL

The following commercial brands in 8 oz. boxes: Beech-Nut, Gerber and Tippy Toes

ALLOWED:
Regular or whole wheat/whole grain

NOT ALLOWED:
Added ingredients such as infant formula, milk, fruit or other non-cereal ingredients
DHA or ARA
Organic

STORE BRAND/PRIVATE LABEL:
Home 360 – Oatmeal, Rice
Kroger – Oatmeal, Rice
Parent's Choice – Oatmeal, Rice

INFANT FRUITS

The following commercial brands of 2nd stage (4 oz) and 3rd Stage (5 oz) products consisting of single or mixed ingredients in 4 oz glass jars or plastic containers (twin packs): Beech-Nut, Gerber and Tippy Toes

NOT ALLOWED:
Added sugars, starches or sodium
Added cereal
Infant food desserts [e.g. fruit cobbler]
DHA or ARA
Organic

INFANT VEGETABLES

The following commercial brands of 2nd stage (4 oz) and 3rd Stage (5 oz) products consisting of single or mixed ingredients in 4 oz glass jars or plastic containers (twin packs): Beech-Nut, Gerber and Tippy Toes

NOT ALLOWED:
Added sugars, starches or sodium
Added cereal
Infant food desserts [e.g. fruit cobbler]
DHA or ARA
Organic

INFANT MEAT

The following commercial brands of meat or poultry as a single major ingredient, with added broth or gravy in 2.5 oz. jars: Beech-Nut (1st stage products), Gerber and Tippy Toes (2nd stage products)

NOT ALLOWED:
Added sugars or sodium
Infant food combinations [e.g. meat and vegetables]
Infant dinners [e.g. spaghetti and meatballs]
DHA or ARA
Organic

(07/02/19)

TNWIC CARD
INFORMATION FOR VENDOR

- Customer courtesies: Except at "above-50-percent" vendors, the transaction must include promotions available to all customers such as bonus cards, coupons, etc. Additional quantities of food are not to be provided unless the transaction involves a customer courtesy available to all customers such as "buy one, get one free" or a free item available with the purchase of an approved food. Promotions available only to WIC transactions are not allowed. "Double Your Money Back" guarantees for quality and freshness also apply to WIC transactions if this promotion is available to all customers. The item in question is to be exchanged and a refund given by cash or gift card that equals the original purchase price. Exchanges involving TNWIC benefits must be for the original item purchased. Exchanges involving CVBs can include other eligible products with the same dollar value if the original item cannot be replaced with good quality stock or is not available.

- Out of State eWIC Cards: **Do not accept eWIC cards from another state.** Refer the person to the local health department or clinic.

VENDOR'S TRAINING RESPONSIBILITIES

- Once a vendor has received their first training by an authorized WIC Program representative and entered into their first WIC Vendor Agreement, it is the vendor's responsibility to have at least one representative of their business receive annual training.

- The date, time, location, and appropriate representative(s) for this annual training shall be scheduled at the discretion of the authorized WIC Program representative, but at least one alternative date shall be offered.

- It is the vendor's responsibility to ensure cashiers and other staff are informed and trained on WIC Program requirements. This may be conducted by an authorized WIC Program representative. Such training shall be required if needed for improved compliance with the WIC Vendor Agreement. Documentation WIC provided training occurred shall include, but is not limited to, ownership or management, or their designee, verifying in writing they have been trained on the policies and procedures presented in the WIC Vendor Handbook, WIC Vendor Agreement and associated WIC Food List materials. Furthermore, they accept responsibility for ensuring other employees also receive training.

TNWIC CARD PROCEDURES FOR CASHIERS

The following steps must be performed at the time of the transaction unless otherwise noted:

- For integrated systems, all items should be rung up. Participant should swipe their TNWIC card as the first form of payment. If the participant also has SNAP benefits they would like to redeem, this should be used as the second form of payment. Any remaining balance should be paid using cash, debit, credit, etc.

- For stand-beside devices, separate the foods to be purchased with TNWIC benefits from any other items. Once the WIC purchase has been completed, any remaining items may be rung up in a separate order.

CLAIMS

- A request for reimbursement shall be made when a vendor is found to have a pattern of overcharging as the result of a compliance investigation. The investigation will consist of a series of covert compliance buys or could be the results of an inventory audit. The pattern can include charging Program participants more for approved foods than non-Program participants, charging for approved food not received by Program participants, charging for non-approved foods, or charging more than the current shelf price for approved foods.

- Reimbursements are to be made payable to the Tennessee WIC Program.

- A pattern of overcharging shall result in disqualification.

- If a WIC vendor does not pay, only partially pays, or fails to timely pay a claim amount, the WIC vendor's agreement shall be terminated for cause.

VENDOR SANCTION PROCEDURES

- The Vendor Sanction Procedures are based on the federal regulations in 7 CFR Part 246 for violations of the WIC Vendor Agreement. Except as noted as follows, the WIC Program shall notify a vendor in writing when an investigation to determine a vendor's compliance with their agreement first reveals an act of non-compliance. This applies to situations for which a pattern of non-compliance must be established in order to sanction a vendor for violating their agreement. This notification shall occur before another such act of non-compliance is documented.

- However, notification is not required if:

  - The WIC Program determines that notifying the vendor would compromise the investigation.
  - If the violation would involve a vendor's redemptions exceeding its' inventories.
  - If the violation only requires one act of non-compliance before a sanction is to occur.
  - There is a WIC Program sanction based on a SNAP sanction.

I. Federally Mandated Vendor Sanctions That Shall be Issued.

A. Permanent Disqualification:

1. conviction by a court of competent jurisdiction of trafficking in WIC FIs, CVVs and/or TNWIC cards; or
2. conviction by a court of competent jurisdiction of 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 WIC FIs, CVVs and/or TNWIC cards.

B. Six-year Disqualification:

1. one or more incidences of investigative finding of trafficking in WIC FIs, CVVs and/or TNWIC cards; or
2. one or more incidences of investigative finding for selling firearms, ammunition, explosives, or controlled substances.

C. Three-year Disqualification:

1. one or more incidences of investigative finding of the sale of alcohol, alcoholic beverages or tobacco products in exchange for WIC FIs, CVVs or TNWIC cards;
2. a pattern of claiming reimbursement for more of a WIC food item than the vendor's documented inventory shows was on hand for a specific time period;
3. a pattern of overcharging;
4. a pattern of receiving, transacting and/or redeeming WIC FIs, CVVs and/or TNWIC cards outside of authorized channels including a vendor's location not contracted to accept WIC FIs, CVVs and/or TNWIC cards and/or from someone other than the person who signed the WIC FI or CVV at the WIC Clinic;
5. a pattern of charging for WIC foods not provided to the participant at the time of the transaction; or
6. a pattern of providing credit or non-food items (e.g., paper towels, tissues), in exchange for WIC FIs, CVVs and/or TNWIC benefits (other than alcohol, explosives, or controlled substances, which only require one (1) incidence).

D. One-year Disqualification:

1. a pattern of providing non-WIC foods and/or a quantity of WIC food other than allowed on the WIC food FIs or CVVs/TNWIC benefits;
2. a pattern of an "above-50-percent" vendor providing prohibited incentive items in accordance with the WIC Program's policies and procedures.

- The WIC Program shall not accept the vendor's voluntary withdrawal as an alternative to disqualification for any violation in this section. Non-renewal of the WIC Vendor Agreement as an alternative to disqualification is not allowed.

- If there are multiple violations requiring federally mandated sanctions described in the sanction notice, the vendor shall be disqualified for the most serious violation. However, if a Civil Money Penalty (CMP) is to be imposed in lieu of disqualification, as described below in Section IV, it shall include each of the violations up to the limits of $11,000 per single violation and $49,000 maximum for multiple violations. These amounts are subject to future increases based on periodic revisions for inflation.

- When a vendor previously assessed a federally mandated sanction for any of the one, three, or six-year periods is to be sanctioned again for any of these violations, the disqualification period shall be doubled. If a CMP is to be imposed, the amount of the CMP shall be doubled up to the maximum amounts described in Section IV.

- When a vendor previously assessed a federally mandated sanction twice for any of these violations commits any one of them for the third time or greater, the disqualification period shall be doubled. A CMP shall not be imposed in these situations.

II. Disqualification Based on SNAP Disqualification or Another State's WIC Program.

- When a vendor is disqualified from SNAP or another state's WIC Program, the WIC Program in Tennessee shall disqualify the vendor for the same length of time, but may start the disqualification at a later date. Disqualification from the WIC Program based on a SNAP disqualification shall not be subject to administrative or judicial review under the WIC Program. In lieu of disqualification from either SNAP or another state's WIC Program, there shall be a CMP imposed, as described in Section IV.

- The WIC Program may disqualify a vendor who has been imposed a CMP for participant access hardship in the SNAP or another state's WIC Program. This disqualification shall be for the same length of time the vendor would have been disqualified from the SNAP or another State WIC agency.

III. State Sanctions Established by the Tennessee WIC Program.

A. One-Year Disqualification for First Violation for:

1. providing false information on the "Vendor Application for Authorization to Participate in the Tennessee WIC Program"
2. failing to produce bills of lading or invoices upon request of an authorized WIC representative that are on commercially printed invoice and/or receipt paper, readable and presented in a logical way, including those for infant formula purchases; or
3. failing to provide food sales information upon request of an authorized WIC representative.
4. failing to pay, only partially pays, or fails to timely pay a claim amount assessed as a result of a compliance investigation.

B. Six-month Disqualification for First Violation and One-Year Disqualification for Second Violation for:

1. failing to lower prices on approved WIC foods upon request of an authorized WIC representative;
2. failing to allow employee training on WIC procedures including having in place an effective policy and program to prevent trafficking;
3. failure of ownership/management to be knowledgeable of WIC procedures and be accountable for employee actions;
4. failing to treat all WIC participants the same regardless of race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA;
5. failing to meet minimum stock requirements for approved WIC foods including having stock within eligible product dates;
6. failing to provide suitable hours and environment for participant access including, but not limited to, not restricting the hours to redeem WIC FIs and CVVs, not keeping WIC participants from using a check-out available to all other customers, and not acting in a way that abuses or embarrasses a WIC participant;
7. failing to offer WIC participants any courtesies offered other customers including, but not limited to, bonus cards, multiplying of coupon values and additional products for free;
8. failing to conduct WIC transactions only on the vendor's premises; or
9. failing to have hours posted and/or adhering to the posted hours.

- The total disqualification period for a sanction notice with only state-established sanctions shall not be more than one year. A CMP may be imposed in lieu of disqualification, as described in Section IV below.

- If the sanction notice describes multiple violations requiring both federally mandated and state-established sanctions, the vendor shall be disqualified for the most serious violation. However, if the federally mandated sanction is not upheld on a vendor appeal, the WIC Program may impose a state sanction described in the state's sanction notice.

IV. <u>Civil Money Penalty (CMP) in Lieu of Disqualification</u>.

- The WIC Program shall impose a CMP in lieu of disqualification for all of the above actions that result in disqualification:

  - If, for any disqualification described in sections I through III above, it solely determines and documents that disqualifying the vendor would cause inadequate participant access. A CMP shall be based on 10% of the vendor's average WIC redeemed dollar amount for the previous six-month period multiplied by the number of months the vendor would have been disqualified. This dollar amount shall include both FIs and CVVs. However, the CMP shall not exceed $11,000 for each violation or $49,000 total for multiple violations described in the sanction notice. These amounts are subject to future increases based on periodic revisions for inflation, or

  - If, for paragraph A. of Section I above, the vendor had in place at the time of the violation an effective policy and program to prevent trafficking, and the ownership was not aware of, did not approve of, and was not involved in conducting the violation, the CMP in lieu of permanent disqualification shall be $11,000.

- The CMP shall be doubled up to the limits stated above for the second sanction and shall not be imposed in lieu of disqualification for third or subsequent sanctions.

- The WIC Program has the option to allow an installment plan for the payment of a CMP.

- If a WIC vendor does not pay, only partially pays, or fails to timely pay a CMP imposed in lieu of disqualification, the WIC vendor shall be disqualified for the length of the disqualification corresponding to the violation for which the civil money penalty was assessed.

V. Appeals.

- Vendors may request a hearing or administrative review (see as follows for when which is applicable) to appeal any adverse action taken against them, except for:

  - how valid or appropriate are the WIC Program's criteria for selecting vendors for authorization;
  - how valid or appropriate are the WIC Program's criteria for determining participant access hardship and final determinations made;
  - the WIC Program's decision as to whether a vendor had an effective policy and program to prevent trafficking and that the ownership of the vendor did not know of, approve of and was not involved in such conduct;
  - the WIC Program's decision as to whether to notify a vendor in writing when an investigation to determine a vendor's compliance with their agreement first reveals an act of non-compliance;
  - expiration of the WIC Vendor Agreement;
  - disputes regarding FI or CVV payments and vendor claims (other than the opportunity to justify or correct a vendor overcharge or other error);
  - disqualification as a result of disqualification from the SNAP;
  - how valid or appropriate are the WIC Program's criteria for prohibiting incentive items and for the denial of an "above-50-percent" vendor's request to provide an incentive item;
  - the WIC Program's decision as to whether or not to include an infant formula manufacturer, wholesaler, distributor, or retailer from the required annual list;
  - how valid or appropriate are the WIC Program's vendor peer group criteria; or
  - how valid or appropriate are the WIC Program's criteria used to identify "above-50-percent" vendors or vendors comparable to "above-50-percent" vendors.

- The WIC Program shall provide fifteen (15) calendar days prior notice of an adverse action being taken against a vendor, except where a sanction is to be permanent disqualification for conviction of trafficking WIC FIs/CVVs 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 WIC FIs or CVVs. For instances of permanent disqualification, this sanction shall go into effect upon the vendor's receipt of the notice.

- The WIC Program shall provide a written notice containing the adverse action being taking, violation(s) used for the decision, the procedure to file for a hearing or administrative review, the effective date of the action(s), the time period allowed to request a hearing or administrative review, and any other pertinent information. For notices containing a federally mandated sanction, the vendor shall be told that disqualification from WIC may result in disqualification from the SNAP without the right to appeal to the SNAP.

- The vendor's request for a hearing or an administrative review in order to appeal the actions of the WIC Program must be received within fifteen (15) calendar days from the date of receipt of the notice. The appeal letter is to be sent to the Food Delivery Administrator of the Tennessee WIC Program at the address provided.
  A vendor's request for a hearing or administrative review must dispute only the correctness of the Program's determination to take adverse action and must allege that the facts, laws, Program policies and/or procedures stated in the written notice are incorrect.

- Appealing an adverse action by the WIC Program does not relieve the vendor from the responsibility of continued compliance with the WIC Vendor Agreement while permitted to continue as an authorized vendor during the appeals process.

- Adverse actions for which the vendor may request a hearing before an administrative judge from the Administrative Procedures Division of the Tennessee Secretary of State's office are:
  - denial of authorization as a vendor because they did not have the required minimum stock of approved foods or they were trying to circumvent a previous sanction; or
  - the WIC Vendor Agreement was terminated for cause by the WIC Program;
  - disqualification from the WIC Program; or
  - the validity of the charges resulting in a civil money penalty in lieu of disqualification.

- WIC Program staff shall make the hearing arrangements and provide the vendor with:

  - adequate advance notice of the time and place of the hearing with at least one opportunity to reschedule the hearing date upon the vendor's specific request;
  - opportunity to present its case and cross-examine adverse witnesses;
  - opportunity to be represented by counsel;
  - opportunity to examine before the hearing the evidence upon which the WIC Program based its action;
  - an impartial decision maker (the administrative judge) who shall base their decision solely on whether the WIC Program correctly applied federal and State statutes, regulations, policies, and procedures governing the WIC Program, according to the evidence presented at the hearing; and
  - written notification of the hearing decision, including why the decision was made, within ninety (90) days from the date of receipt of a vendor's request for a hearing. (However, this timeframe is only an administrative requirement for the WIC Program to follow and is not a reason for overturning the Program's adverse action if the decision is not made within that time period.)

- Adverse actions for which the vendor may request an administrative review are:

  - denial of authorization as a vendor because of inability to meet the WIC Program's business integrity requirement as defined by the Vendor Application for Authorization to Participate in the Tennessee WIC Program or for a current SNAP disqualification or CMP for participant access hardship;
  - denial of authorization as a vendor because of a previous WIC Program sanction or a SNAP withdrawal of authorization or disqualification;
  - termination of a WIC Vendor Agreement by the WIC Program because of a change in ownership or location or operations cease;
  - disqualification because of a trafficking/illegal sales conviction;
  - disqualification because the SNAP imposed a CMP for participant access hardship;
  - imposing of a CMP by the WIC Program in response to disqualification by the SNAP;
  - disqualification because another state's WIC Program disqualified the vendor or imposed a CMP for participant access hardship;
  - denial of authorization as a vendor because of the WIC Program's determination they would be an "above-50-percent" vendor;
  - denial of authorization as a vendor for not having SNAP authorization; or
  - determinations of peer group or "above-50-percent" vendor status unrelated to denials of authorization or terminations; or
  - denial of authorization as a vendor because their prices on approved foods were not competitive; or
  - denial of authorization as a vendor because the majority of annual total gross sales are not derived from staple foods.

- WIC Program staff shall arrange the administrative review and provide the vendor with:

- a decision maker, appointed by the Commissioner of the Tennessee Department of Health, who is someone other than the person who rendered the initial decision on the action. Their determination is to be based solely on whether the WIC Program correctly applied federal and state statutes, regulations, policies, and procedures governing the WIC Program, according to the information provided to the vendor concerning the cause(s) for the adverse action and the vendor's response; and
- written notification of the administrative review decision, including why the decision was made, within ninety (90) days from the date of receipt of a vendor's request for an administrative review. (However, this timeframe is only a federal administrative requirement for the WIC Program to follow and is not a reason for overturning the Program's adverse action if the decision is not made within that time period.)

- The WIC Program shall accept the final decision from a hearing or administrative review as the final action to be taken. If this decision supports the WIC Program's adverse action against the vendor, and the vendor has been permitted to remain authorized during the appeals process, the effective date of the adverse action shall be the date the vendor receives notice of this decision.

- If the final decision from a hearing or administrative review upholds the WIC Program's adverse action against the vendor, the vendor shall be informed that it may pursue judicial review in the Chancery Court for Davidson County, Tennessee.

ADDITONAL FACTS REGARDING WIC VENDOR AUTHORIZATION

- A potential vendor shall not be authorized and an agreement entered into if the WIC Program determines the previous ownership sold the store in order to circumvent a sanction issued against them. This includes selling to a relative by blood or marriage or to any individual or organization for less than the fair market value. The subsequent buyer cannot be authorized as a vendor, unless such sale was conducted as an "arms length" transaction (none of the parties are related to each other or have common financial interests).

Federal regulations give the WIC Program authority to not authorize any "above-50-percent" vendors including those previously authorized. Therefore, the WIC Program will not authorize a new for-profit vendor expected to derive more than fifty (50) percent of their annual food sales revenue from WIC transactions, unless that vendor is necessary to assure participant access to WIC Program benefits. In addition, if a vendor applicant is already considered "above-50-percent" for another authorized location they own, that status would also automatically apply to the new one as well.

Within six months of authorizing any new vendor, both regular and "above-50-percent," the WIC Program will assess the accuracy of its determination to verify whether the vendor should have been authorized and/or to ensure the vendor has been placed in the appropriate peer group. The WIC program has the authority to terminate the vendor agreement or reassign the vendor to the appropriate peer group, if necessary. During this assessment or the federally required annual evaluation of all WIC vendors to determine if they have become an "above-50-percent" vendor, those found to now be one will have their agreement terminated unless that vendor is necessary to assure participant access to WIC Program Benefits.

For those "above-50-percent" vendors allowed to be authorized:

- payments to such vendors may not result in higher food costs than if program participants purchased their WIC foods at regular vendors; therefore, their payments may not be higher than average payments to comparable regular vendors
- they shall not be allowed to offer incentive items to WIC participants; vendors found violating this provision shall not receive payment from the WIC Program

Items referred to as incentive items in the clause above shall include, but are not limited to:

- selling items at cost or below
- giving free food items
- offering cash or free food as an enticement for participants to bring new customers into the vendor's location
- offering services of greater than nominal value
- anything made available in a public area as a complimentary gift that can be consumed or taken without charge
- merchandise or food items involved in raffles or similar promotions
- lottery tickets
- transportation of participants to and from vendor premises or delivery of WIC food to the participant's residence
- services resulting in a conflict of interest or the appearance of such conflict, e.g., assistance in applying for WIC benefits
- any kind of incentive item which incurs a liability for the WIC Program or violates any federal, State, or local law or regulations
- for-profit goods or services offered to WIC participants at a fair market value based on comparative for-profit goods or services but constitutes a conflict of interest or results in a liability for the WIC Program

- It is the vendor's responsibility to notify an authorized WIC Program representative of changes of:
  - name, location, ownership, management and/or business structure

- the decision to no longer participate in the WIC Program
- the voluntary ending of all business operations
- changes to banking information as provided on the vendor's ACH enrollment form

Name changes are to be reported at least thirty (30) days prior to such change being completed.

When participation in the WIC Program ends, either voluntarily or because of a WIC Program disqualification, it is the vendor's obligation to return the State of Tennessee Vendor Stamp to the authorized WIC Program representative.

Relocations to another county or change of ownership shall result in the agreement being terminated and a new application for authorization must be submitted.

- All authorized vendors are required to be open for business on a regular basis at least six days per week. They are also required to have clearly visible posted hours which they are expected to adhere to.

- Authorized grocery vendors cannot have all eligible WIC food items in a separate location within the store from the other staple foods items carried. It is acceptable to have special end-cap or sales floor displays featuring approved WIC food as long as some stock is also available on regular shelf display.

- The agreement is not considered a license or property interest. The vendor must reapply for authorization as a WIC vendor following expiration of the agreement. However, neither the WIC Program nor the vendor has an obligation to enter into a subsequent agreement. Such an agreement may not be entered into if either party has failed to comply fully with the previous agreement.

Participation in the WIC Program as an authorized grocery vendor is dependent upon:

- Ownership presenting proof of government issued photo identification if requested by a WIC representative.
- Submission of proof of SNAP authorization through providing a valid copy of the current SNAP authorization upon request of a WIC representative (applicable to all initial authorizations, discretion of WIC representative for subsequent authorization). The applicant shall have fifteen (15) days following receipt of the application denial to request an administrative review.
- Participation as a retailer in the SNAP. Participation means having available proof of authorization in the SNAP upon the request of a WIC Program representative and conducting SNAP transactions as verified by the SNAP. If the vendor's SNAP participation terminates due to inactivity or voluntary withdrawal, the WIC Program shall terminate the WIC Vendor Agreement. This is termination for cause. The vendor shall have fifteen days following receipt of the termination notice to request a hearing before an administrative judge.
- Receiving at least 51% of its annual gross sales from staple foods as defined in Part I, Section (17B.) of the "2016-2018 Vendor Application for Authorization in the Tennessee WIC Program". (An exception is allowed for department store supercenters which contain a complete full-service grocery store within their building.) This verifies the vendor's intent to provide WIC Program participants with both a selection of Program approved foods that meet the minimum stock requirements and a full market basket of foods to provide opportunity for price comparison shopping and for nutrition information comparison. Failure to maintain the staple foods requirement may result in termination of the WIC Vendor Agreement for cause. The vendor shall have fifteen days following receipt of the termination notice to request a hearing before an administrative judge.
- One other form of payment (i.e. bank debit or credit card, personal check, or cash) must be accepted in addition to SNAP transactions and Tennessee WIC FIs and CVVs. Failure to maintain this requirement may result in termination of the WIC Vendor Agreement for cause. The vendor shall have fifteen days following receipt of the termination notice to request a hearing before an administrative judge.

- Vendors are required to purchase infant formula by selecting from a list of wholesalers, distributors, and retailers licensed in the State and formula manufacturers registered with the Food and Drug Administration (FDA). The WIC Program will provide this annually to all authorized vendors. The current list is effective October 1 of each year through September 30 of the following year.

  This requirement applies only to contract brand formulas, currently the Abbott Similac products. Vendors are required to maintain invoices or receipts to show the source of formula purchases applicable to this requirement and present them to a WIC Program representative upon request.

  Vendors may purchase infant formula via the Internet only if the entity from which the formula purchased is licensed by the state as noted above and appears on the Approved List of Suppliers of Infant Formula.

  For any questions or information regarding the infant formula list, or to request a paper copy of retailers in your immediate area, please contact the WIC Vendor Management Unit at (615) 741-7218 or 1 (800) 342-5942.

- All bills of lading, invoices and inventory records presented to a WIC Program representative must be original on commercially printed invoice and/or receipt paper, readable and presented in a logical way.

- A vendor applicant is not to accept TNWIC transactions until pre-authorization procedures including the pre-authorization visit and training are completed and the vendor notified by the regional WIC Program representative that they are authorized to do so.

- Per United States Department of Agriculture (USDA) policy, authorized vendors shall not use the acronym "WIC" or the WIC logo, including close likenesses, in total or in part, either in the official name under which the store is authorized or in the name under which it does business, if different. In addition, primary signs promoting the business as well as advertisements and educational materials aimed at customers may not use the acronym "WIC" or "W.I.C". A vendor may identify themselves as authorized to accept WIC FIs and CVVs on secondary signs and in staff training materials. This includes signing that lists all forms of payment accepted as long as the WIC designation is not larger than any of the others. Shelf signing identifying a product's WIC eligibility not provided by the WIC Program may be used if approved by the Tennessee Department of Health. Such requests are to be made through the vendor's regional WIC Program representative who will refer it to WIC Program Central Office staff for approval. It must also be noted the vendor is responsible for the accuracy of sign and shelf tag placement.

- Per 7 CFR Part 246 the WIC Program may release for general information the name, address, authorization status, phone number, website, email address and store type (e.g. grocery store, chain store, independently owned store). All additional information, except noted as follows will remain confidential for release only for specific individuals directly connected with the administration or enforcement of local, federal and state laws and ordinances.

  The WIC Program may at its discretion release information regarding disqualification or a CMP in lieu of disqualification on a specific previously authorized vendor to other authorized vendors or to vendor applicants. However, there must be completion of the vendor's right to appeal through the judicial, as well as administrative procedures before such information can be released. Information that can be released is limited to vendor's name, address, length of the disqualification or amount of the CMP and a summary of the reason(s) for the sanction as stated in the notice of adverse action sent to the vendor.

- Federal regulations require the WIC Program to inform vendors of the criteria for each of the program's peer groups and inform each individual vendor of their specific peer group assignment. This information has been provided to vendors authorized under the previous Vendor Agreement by their regional WIC

Program representative. Newly authorized vendors will receive this information at the time of initial authorization. The assignment will be effective until the vendor is notified of a change.

In addition, each authorized grocery vendor will be notified of the minimum stock list applicable to their peer group assignment by their regional WIC Program representative.

WHAT IF…

...A customer requests a refund on what you suspect to be WIC approved foods?

You should refuse to refund and contact your regional WIC Program representative as soon as possible. Obtain the program participant's name or the participant number if possible.

...A program participant attempting to buy unauthorized food or formula becomes argumentative?

Try to obtain their name or the TNWIC card number, if possible, and report it to the regional WIC Program representative as soon as possible.

...A program participant becomes abusive?

Try to obtain their name or the TNWIC card number, if possible, and report it to the regional WIC Program representative as soon as possible.

...A program participant presents an eWIC benefit card from a state other than Tennessee?

Refuse it and refer participant to the local health department or clinic.

WIC PROGRAM REGIONAL CONTACTS

1. Northeast Region
   185 Treasure Lane
   Johnson City, TN
   37604-6519
   423-979-3200

2. East TN Region
   2101 Medical Center Way
   P.O. Box 59019
   Knoxville, TN 37920
   865-545-5335

3. Southeast Region
   1301 Riverfront Pkwy, Suite 209
   Chattanooga, TN
   37402
   423-634-3124

4. Upper Cumberland Region
   1100 England Drive
   Cookeville, TN
   38501
   931-528-7531

5. Mid-Cumberland Region
   710 Hart Lane
   Nashville, TN 37243
   615-650-7000

6. South Central Region
   1216 Trotwood Avenue
   Columbia, TN 38401
   931-380-2532

7. West TN Region
   Union City Office
   P.O. Box 190 (38281)
   1010 Mt. Zion Road
   Union City, TN 38261
   731-884-2645

8. West TN Region
   Jackson Office
   295 Summar Avenue
   Jackson , TN 38301
   731-423-6600

9. Shelby County
   814 Jefferson Avenue
   Memphis, TN 38105
   901-528-0044

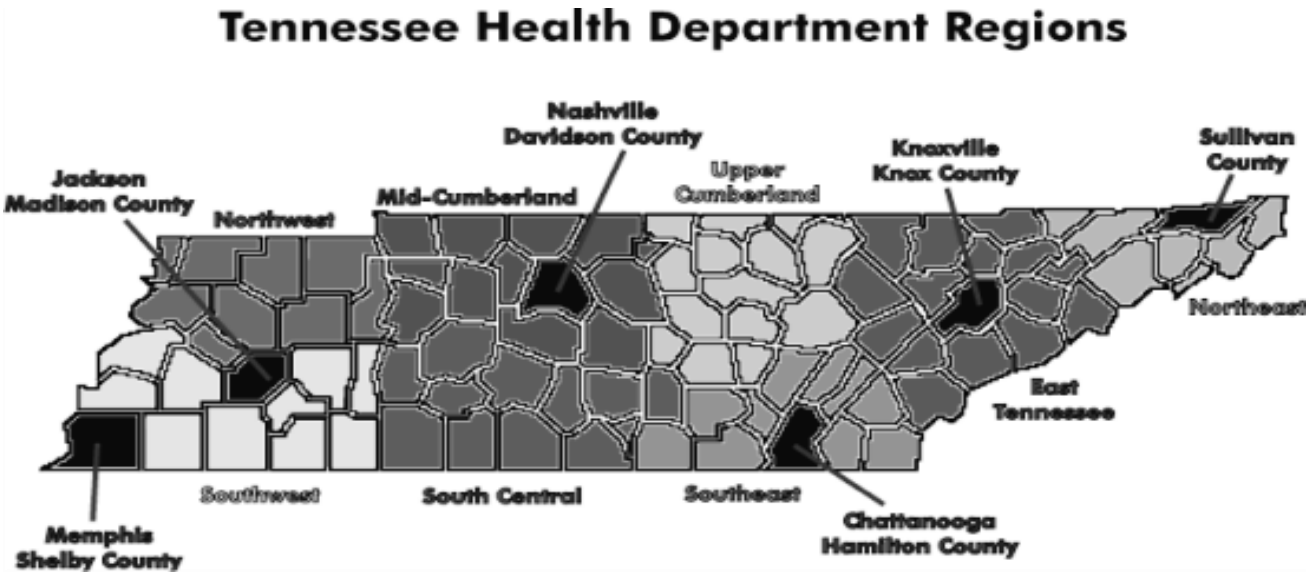
10. Davidson County
    1417 Murfreesboro Pike
    P.O. Box 196300
    Nashville, TN 37219
    615-880-2212

11. Knox County
    140 Dameron Avenue
    Knoxville, TN 37917
    865-215-5050

12. Chattanooga/Hamilton County
    921 East Third Street
    Chattanooga, TN
    37403
    423-209-8220

13. Sullivan County
    154 Blountville By-Pass
    P.O. Box 630
    Blountville, TN 37617
    423-279-2739

14. Madison County
    589 East College Street
    Jackson, TN 38305
    731-927-8569



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