Subject: Authorization Process for New Vendors

Effective Date: October 1, 2016 Revised from: October 1, 2010

Policy: The State Agency (SA) must authorize an adequate number of vendors to ensure reasonable availability and accessibility to WIC clients. This policy identifies the process the SA and Local Agency (LA) uses to accept vendor applications and to authorize, train and support newly authorized vendors.

The SA prohibits any new vendors that are likely to derive 50 percent or more of their annual food sales from the sale of supplemental foods to WIC clients.

The SA will apply this policy to all types of vendors seeking Kansas WIC authorization, which may include small independently owned stores, chain stores, and commissaries. Vendors undergoing a Change of Ownership must apply for authorization based upon these same procedures.

WIC checks accepted by the applicant prior to approval of the applicant's Vendor Participation Contract may not be paid.

Reference: 7 CFR Part 246.12

Procedure:

1. Requesting an Application Packet

a. A vendor may contact the SA or LA to request information to becoming a WIC authorized vendor. The application packet may also be downloaded from the Kansas WIC web site.

b. The SA will mail the application packet to the applicant along with a Vendor Participation Contract. The application packet includes the following documents:
   (1) Cover Letter
   (2) Evaluation and Selection Criteria
   (3) Designation of Kansas Counties
   (4) Minimum Stock Requirements for Urban and Rural Counties
   (5) Vendor Application
   (6) Vendor Price Survey Analysis

c. The vendor will send the completed application, price survey and the signed contract to the SA. If a LA receives a completed application, price survey and/or contract, they should immediately forward the originals to the SA.

d. Any incomplete applications received will delay the SA's abilities to review and make selection decisions pertaining to their authorization status.

e. Vendors who submit a completed application will be entered into the KWIC system and assigned a vendor number.

f. Vendors who receive or will receive 50 percent or more of their annual food sales from the sale of supplemental foods from WIC clients will be sent a denial letter based on this fact.

g. Any vendor who does not pass the Evaluation and Selection process will be sent a denial letter. A vendor wishing to request an administrative review of an adverse action must submit a written request (via U.S. Mail or FAX) for an administrative review of the action. The request for a review must include a summary of the reasons for requesting the review. Requests for review shall be addressed to the Office of Administrative Hearings, 1020 South Kansas Avenue, Topeka, Kansas 66612-1327 or FAX (785)296-4848. A written request for a review must be filed within 15 days from the date of the denial letter. An additional 3 days shall be allowed if the denial letter is mailed to the vendor. The written request for a review must be received by the Office of Administrative Hearings on or before the end of the time period for requesting a review. The administrative appeal process for vendors is described in the Kansas WIC Vendor Manual. A vendor is eligible to reapply in six (6) months after the dated denial letter.

h. The SA will notify the LA of the approved application, complete with contact information for the vendor. This will serve as a request for the LA to conduct a New Vendor Evaluation.

2. LA Evaluation

a. Any vendor selected for further consideration must pass the New Vendor Evaluation visit, including an assessment of the vendor's stocking levels of certain foods. The LA will verify the information provided in the application during the on-site visit, i.e. pricing, hours of operation, food variety/selection, etc. using the New Vendor Evaluation Form and the Vendor Product Inventory. (See VEN 02.02.00)

b. Any vendor that does not pass the on-site evaluation will be provided information regarding the deficiencies found. The LA staff may arrange a follow-up evaluation.

c. Based on the type and variety of food and formula stocked, a vendor's authorization may be denied if it is determined that once authorized the vendor is likely to generate 50 percent or more of its revenue solely from the WIC Program.

d. After a vendor passes the on-site evaluation, the LA staff shall mail the original paperwork to the SA for final review. LA staff shall place a copy of the paperwork in their vendor file.

3. Training

a. Each approved applicant must attend a mandatory training session. The training must include instruction on the purpose of the WIC program, the supplemental foods authorized, the minimum varieties and quantities of authorized supplemental foods that must be stocked by vendors, the procedures for transacting and redeeming WIC checks,

the vendor sanction system, the vendor complaint process and the claims procedures. A Vendor Training PowerPoint is available on line.

b. After conducting mandatory training, the LA staff will notify the SA, that the training was completed and entered into the KWIC system.

4. Final Authorization

a. Once the training has been provided to the vendor, the WIC Program Director will sign the Vendor Participation Contract. A signed copy of the contract will be sent to the newly authorized vendor. The SA will also send notice to the LA notifying them of the vendor's status as an authorized WIC vendor.

b. A vendor may not accept WIC checks until **each** criteria listed below have been met:
- passes the Evaluation and Selection criteria.
- passes the on-site evaluation visit
- attends a training session
- has properly trained all store staff handling WIC transactions
- has received a WIC Program vendor authorization stamp issued by the SA.

5. Re-Assessment

a. All new vendors shall be reassessed within six months after authorization to determine whether or not they meet the above-50-percent criteria.

b. The SA shall take necessary follow-up action, such as terminating the Vendor Participation Contract if it is determined that the vendor has derived 50 percent or more of their annual food sales from the sale of supplemental foods to WIC clients.