



South Dakota WIC Program

**Retail Management Handbook
Application
And
Cashier Training Booklet**

October 1, 2009- September 30, 2012

South Dakota Department of Health
WIC Program
600 East Capital
Pierre South Dakota, 57501
605-773-3361

Overview of WIC Program

WIC is the Special Supplemental Nutrition Program for Women, Infants and Children. WIC is federally funded by the United States Department of Agriculture (USDA) and operates in all 50 states and 22 territories. In South Dakota the WIC Program is administered by the Department of Health.

WIC is a cost effective program and has demonstrated success in improving the health and nutritional status of women, infants and children.

Participants of the WIC Program may be pregnant women, breastfeeding women, postpartum women, infants and children up to age five who have been determined to have a nutritional risk and have limited income.

WIC offers the following services throughout the state:

WIC provides nutrition education and counseling: Teaches participants how to maintain a healthy diet, change established eating habits for healthier habits and answer food and nutrition questions to improve overall health.

WIC provides support for Breastfeeding: Referrals are made to lactation specialists and peer counselors. Health Professionals teach the participants the benefits of breastfeeding; provide breast pumps and information and education on the use of the pumps.

WIC provides referral services: To doctors, nurses, community services, health agencies, social service agencies such as Medicaid, SNAP (Food Stamps) or TANF. All sources encourage pregnant women to receive prenatal care, and infants and children to receive routine health checkups and immunizations.

WIC provides supplemental foods to participants: Foods are prescribed to supplement the nutritional needs of the each participant based on individual needs.

Purpose and definitions

Throughout this document “WIC Program” refers to the South Dakota Dept of Health, WIC Program. Topics are listed with corresponding pages

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**Retailers
Role in WIC**

WIC Retailers are critical partners in the delivery of WIC benefits. Each month, WIC participants receive WIC Checks which list a “food prescription” designed to supplement specific nutritional needs. The retailer fills that “food prescription” by making certain the WIC customer receives the exact amounts of foods on each WIC Check.

In providing this service, WIC authorized retailers play an important role in helping to improve the health of all WIC participants. The retailer is the final service in the WIC process.

Since the nutritious WIC foods are designed to promote the healthiest possible birth outcomes for pregnant women and promote the growth and development of children, the retailer’s role in the WIC Program is vital. The integrity of the transaction between a WIC retailer and a WIC customer is essential. It is only when WIC Checks are redeemed for the specific foods that the desired dietary supplementation can be achieved. The positive way in which the WIC customer is treated by the retailer enhances the benefits received from being on the WIC Program.

SD WIC Program State Office Retail Management

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600 East Capital
Pierre, South Dakota, 57501
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1-866-579-8246 (Fax)

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600 East Capital
Pierre, South Dakota, 57501
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Non-Discrimination Statement

In accordance with Federal law and USDA Food and Nutrition Services (FNS) policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability.

To file a complaint of discrimination, write USDA Director, Office of Adjudication and Compliance, 1400 Independence Ave SW, Washington D.C. 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider.

A copy of any complaint alleging discrimination will be forwarded to the Mountain Plains Regional Office of the Food and Nutrition Service, USDA.

Application Process

The application process is listed below. All retailers must meet the selection criteria and must complete an application in full and fill in the applicable prices on the price list (found in the front of the booklet) and return to the WIC Program for review. (Application form is on pages 11-14).

For consideration to be authorized as a WIC retailer, a properly completed Application Form and Price List Form must be returned to the State WIC Office within 15 working days from date sent to the store. Failure to meet the time frame will constitute the need for the interested retail store to request a new Application Packet and restart the entire process.

An Application Review Criteria Checklist will be completed to determine acceptance/denial of the application. The decision will be relayed to the store within fifteen (15) working days from receipt of specified application materials.

A store that has been approved for authorization will be contracted within 20 working days from the date the State WIC Office notifies the store their application has been approved, or notified in writing that they can begin to accept WIC checks and the date for final signing of the contract will be established.

A store that has been denied authorization will be informed via letter. The letter will specify the reason the store was denied authorization, the store's right to request an administrative appeal of the decision within fifteen (15) days from date of notification and a copy of the Administrative Fact Sheet.

The store will be required to complete the information requested on the South Dakota WIC Retailer Application in its entirety and sign as to the authenticity of the document.

Retailer Selection Criteria	An authorized retailer in the State of South Dakota must meet the following requirements.
Full Service Grocery	A full service grocery Retailer is defined as a single store operated by a business entity which routinely stocks milk, cheese, hot and cold cereals, fresh and frozen meats, poultry and fish, fresh, frozen and canned fruits and vegetables, canned and frozen fruit juice, canned vegetable juices, eggs and breadstuffs. The store must be primarily a Retailer of groceries rather than of other merchandise such as gasoline, beverages or snack foods.
Location	Must be a stationary location with a physical business address in South Dakota.
SNAP	Must be authorized by SD SNAP (formerly Food Stamps). If retailer is authorized by SD SNAP and later denied authorization, SD WIC Agreement will be terminated for cause.
Minimum Stocking	Minimum stocking requirements of supplemental foods are located on pages 18-20.
50%Criteria	<p>Each retailer making an initial application will be assessed to determine whether it is expected to derive more than 50% of its annual income from the sale of WIC foods paid for with WIC Checks.</p> <ul style="list-style-type: none"> • Any retailer applicant who expects to derive more than 50% of its annual revenue from the sale of WIC authorized foods paid for with WIC Checks will <u>not</u> be authorized, unless it is necessary for participant access to WIC Program, benefits and Food and Nutrition Services (FNS) pre-approves the retailer. • Any authorized retailer will be terminated if after initially being authorized, is found to be deriving more than 50% of its annual income from food sales purchased with WIC Checks, unless it is necessary to assure participant access to WIC Program benefits, and FNS approves thus allowing the retailer to remain authorized.
EBT Equipment Cost	The cost for Electronic Benefits Transfer (EBT) equipment, systems, or processing will not be imposed on retailers as a condition for WIC authorization.

Competitive Pricing

All retailers will be held to competitive pricing within their assigned peer group. Shelf prices will be collected quarterly and will be averaged by food item within the assigned peer group. If it is determined that the applicant has shelf prices exceeding the statewide peer group average, they will be notified and must reduce the price or the retailer will not be authorized by the SD WIC Program.

- Peer groups are defined by the total annual food sales, population density of area, and the type of store (chain, independent, convenience etc)
- The retailer's average price for any food item authorized by the WIC Program, as reported on the application may not exceed a WIC Program determined average percentage for the same food by all other WIC retailers in the same peer group.

All retailers will charge the same or a lesser price to WIC participants as they charge to all other customers.

Retailer may not have a SNAP disqualification period or civil money penalty imposed within the 12 months preceding the date of application.

- Permanent disqualification from the SNAP Program makes the applicant retailer ineligible for WIC authorization.

Retailer must not have had a WIC Program suspension imposed or a WIC application denied within the month preceding the date of application.

The current owner(s), officers or managers must not have had a criminal conviction or civil judgment against them in the last six (6) years.

Retail establishment must maintain business hours of at least 8 hours a day, 6 days a week to allow adequate participant access.

Retailer must maintain sanitary conditions to assure food product quality and refrigeration of a maximum of 40 degrees.

Retailer will agree to serve all WIC participants equally regardless of race, color, national origin, age, sex, or disability.

Retailer will accept training pertaining to all WIC Program regulations prior to signing an Agreement and will agree to provide training to all employees who will handle any WIC transactions prior to accepting any WIC Checks.

Retailer agrees to adhere to all provisions of the WIC Retailer Agreement and the Retail Management and Cashier Training Handbook.

Retailer agrees to obtain infant formula only from sources included on the State of South Dakota WIC Program list of approved wholesalers, distributors, and retailers.

**Application
Instructions**

The application is on the next 3 pages. If you wish to apply for authorization in the SD WIC Program you must complete the application in its entirety.

To complete the application process:

Read the South Dakota WIC Program Retail Management Handbook and the Cashier Training Booklet to determine your store's ability to comply with the WIC Program regulations. (This entire booklet).

Review the Food Shopping Guide, in the front of the booklet, to identify the authorized WIC foods and determine your store's ability to stock them. Minimum stocking requirements are found on pages 18-20.

Review the retailer Selection Criteria, pages 6-8 to identify if all requirements can be met by your store.

Complete the Application Form and the WIC Foods Price List. All areas must be completed to process the Application. Complete the Price List by putting the current regular price for the item in the appropriate sections. If you DO NOT carry the item, DO NOT enter a price.

Mail your completed Application Form and Price List to:

Renee Osterkamp-Retail Coordinator
SD WIC Program-Hayes Building
600 East Capital Avenue
Pierre, SD 57501

Application may be faxed to the same at
1-866-579-8246

**Frequently
Used WIC
Terms**

These are terms the WIC Program uses and will be used throughout the handbook. You will find it helpful to be familiar with them as you learn about the WIC Program.

Cash Value Voucher – a fixed dollar document used by a participant to purchase authorized fruits and vegetables. Cash Value Vouchers will be referred to as WIC Checks throughout this document.

Food Instrument – the document used by a participant to obtain supplemental foods. Food Instruments will be referred to as WIC Checks throughout this document.

Participant – pregnant women, breastfeeding women, postpartum women, infants and children, who are receiving supplemental foods through the WIC Program.

Retailer or Vendor – any SD WIC authorized retailer that may redeem WIC Checks issued by the WIC Program.

Supplemental Foods – USDA-FNS allowed foods containing nutrients determined by nutritional research to be lacking in the diets of pregnant, breastfeeding, and postpartum women, infants and children and foods that promote the health of the population served by the WIC Program. Foods are allowed based on relevant nutrition science, public health concerns and cultural eating patterns.

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SOUTH DAKOTA WIC RETAILER APPLICATION FORM

INSTRUCTIONS: The owner(s) of a store must complete all of the following information and sign as to the authenticity of this document. Failure to provide information as requested will be grounds for refusal to accept the application for authorization.

APPLICATION DATE: _____/_____/_____
_____ WIC ID #

SECTION A - STORE IDENTIFICATION/OWNERSHIP

1. Store Name _____
2. Mailing Address _____ City & Zip _____
3. Telephone _____ 4. County _____
5. Manager's Name _____
6. Applicant Store or Manager's E-mail Address

7. List Current Owner (s):

8. Is the applicant store owned partially or fully by an employee of a local WIC agency or the State WIC Office () Yes () No
9. Does the owner own, co-own or manage other stores? () Yes () No
A. If yes, are they authorized WIC Retailers? () Yes () No
B. List WIC ID Number if yes: _____
10. Has the current owner(s), officer(s) or manager(s) ever been convicted of or had a civil judgment for fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims or obstruction of justice?
() Yes () No
 - If YES, attach an explanation identifying the person, date and nature of violation.
11. Including this store, has the current owner(s), officer(s) or manager(s) ever owned or managed a business that violated the SNAP Program, received a warning letter or was withdrawn, disqualified or assessed a Civil Money Penalty? () Yes () No
 - If YES, attach an explanation identifying the person, date and nature of violation.
12. What date did (or will) the store open for business under the applying owners? ____/____/____
Mo Day Year
13. What date will the store have the required minimum inventory of approved WIC food items in stock?
____/____/____
Mo Day Year
14. Is the store expected to receive more than 50% of its annual food revenue from the sale of WIC Approved foods? () Yes () No
15. Required sales, register and scanner information:
 - a. Actual or expected annual **gross** sale \$ _____

- b. Actual or expected annual **food** revenue \$ _____
- c. % from SNAP Program % _____
- d. % from WIC % _____
- e. Number of cash registers # _____
- f. Number of scanners # _____
- g. Will the scanner detect WIC eligible foods? () Yes () No
- h. Type of cash register system _____

16. What percent of the total annual food revenue does this store anticipate receiving from the following food groups?

The total percentage must equal 100%

- a. Meat, Poultry and/or Seafood _____
- b. Bread Products _____
- c. Fruits and/or Vegetables _____
- d. Dairy (milk, cheese) Eggs and/or Cereal _____
- e. Other food(s) not counted in A-D Specify _____

SECTION B - STORE CLASSIFICATION

1. The following items are required by WIC. Check those currently in stock:

- | | |
|---------------------------------------|---|
| _____ Infant formula | _____ Frozen Juice |
| _____ Infant cereal | _____ Canned/Plastic container 100% Juice |
| _____ Infant baby foods | _____ Eggs |
| _____ Dried beans/peas | _____ Milk and cheeses |
| _____ Cold Cereal | _____ Canned Tuna |
| _____ Hot Cereal | _____ Canned salmon |
| _____ Fresh Fruits/ Vegetables | _____ Canned sardines |
| _____ Frozen Fruits/ Vegetables | _____ Soy Beverages |
| _____ Canned fruits/vegetables | _____ Whole Wheat Bread/Buns |
| _____ Brown Rice | _____ Oatmeal in canisters |
| _____ Tortillas (corn or whole wheat) | |

2. Check one category which best describes the store applying for WIC Authorization
 Chain Store _____ Independent _____ (individually owned, but affiliated with wholesaler)
 Commissary _____

3. To view the WIC requirements for a full service grocery store refer to the WIC Retail Management Handbook, page 5. The WIC Retailer Handbook can also be located at <http://www.state.sd.us/doh/WIC/>.

SECTION C SNAP (Food Stamp) AUTHORIZATION FOR OWNERSHIP GIVEN ABOVE

SNAP ID # _____

SECTION D - MAJOR GROCERY, DAIRY, AND FORMULA SUPPLIERS

Delivery Days (Circle) Sun M T W Th F Sat

Dairy _____ Address-City, State _____ Phone ____ - ____ - ____

Grocery _____ Address-City, State _____ Phone ___ - ___ - _____

Infant Formula _____ Address-City, State _____ Phone ___ - ___ - _____

(Formula must come from WIC Program approved supplier)

For Approved infant formula supplier refer to <http://www.state.sd.us/doh/WIC/>.

SECTION E - STORE OPERATIONS

1. Store Hours/Days of Operation: ___AM___PM Sun M T W T F Sat (Circle days open)
2. Number of Section Managers/employees working at the store: _____

SECTION F - AUTHORIZATION

Who is authorized by the owner(s) to do the following?

1. Sign the Retailer Agreement _____
2. Submit the Price List and Inventory Information _____
3. Train Store Personnel _____

Federal Employer Identification Number _____ or Owner's SSN ___ - ___ - _____

SECTION G - CERTIFICATION AND SIGNATURE OF OWNER

1. I understand that I apply for authorization for this store to participate in the WIC Program, and that I have authority to enter into contracts for _____ (store name).
2. I have reviewed and understand the WIC Program policy/procedures as outlined in the Retail Management Handbook and the penalties for violating the regulations.
3. I understand that I am not to accept WIC checks until I have received written notification from the WIC Program that I have been approved for authorization as a WIC Retailer.
4. I accept responsibility on behalf of the store for WIC regulation violations committed by the store's employees, including new and part time, paid or unpaid.
5. I know that the store's authorization can be revoked or terminated by the South Dakota WIC Program for any violations of the WIC Program regulations by me or by any of the people working in the store.
6. I pledge, if the store is authorized as a South Dakota WIC Retailer, that the store will comply with WIC regulations.
7. I hereby certify that the information presented in this application is true and factual to the best of my knowledge. I understand that misrepresentation of the information contained herein will result in rejection of this application and/or immediate revocation of the store's WIC retailer authorization.

8. I hereby acknowledge I understand that if it is determined after an agreement has been signed that information contained herein was misrepresented, that my agreement will be terminated for cause.

The South Dakota WIC Program is not obligated to contract with any retailer. Each applicant has the right to appeal the decision if the application is denied. Expiration of an agreement is not subject to appeal.

The WIC Program reserves the right to limit the number of retailers per WIC clinic service area based on the needs of the participants and the State Agency's resources to train and monitor the retailers.

Signed

Date

Print Name

Title

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Approval Process:

Approval of Application

A retailer who has been approved for authorization will enter into an Agreement with the South Dakota Dept. of Health to participate as an authorized WIC Retailer in the Special Supplemental Nutrition Program for Women, Infants and Children.

After the Retailer Agreement has been reviewed by the store owner or manager and said person agrees to terms, the Agreement will be signed by the owner or designee of the store and the WIC Program. Any change in ownership or sale of the business during the effective period of the Agreement will render the Agreement null and void. The WIC Program's State Office must be informed immediately of a change in store management, ownership, relocation, or the closing of operations.

WIC Authorization and ID

The WIC Program assigns each Retailer a unique four digit identification number and a set of 2 rubber stamps with that ID number. WIC ID stamps are provided to the Retailer at no cost. No retailer should use a WIC ID stamp not issued by the WIC Program unless prior approval is given. Each WIC Check must have the WIC ID stamp marked in the appropriate box before presenting to the bank.

Length of Agreement

The Retailer Agreement will expire at least every three years. Retailers wishing to continue authorization as a WIC Retailer must complete the application process prior to the expiration of the Agreement. A Retailer must meet the selection criteria at each application in order to be authorized as a WIC Retailer. Expiration of the Retailer Agreement is not subject to appeal.

Retailer Training:

Training

Retailers play a vital role in the correct operation of the food delivery system. Retailers shall complete training that includes WIC Program policies and procedures at the on-site review prior to becoming an authorized retailer and shall be responsible for training all store associates who will be handling WIC Checks. The manager and person responsible for training of store associates must allow time at this visit for training; the agreement will not be signed until training is completed. Retailers are responsible for all actions of their store owners, officers, managers, agents, and employees in conducting WIC transactions.

A representative of the WIC Program must train store associates who will be handling WIC Checks or train those who have been designated as store trainers.

Training Materials

Retail training materials are in the back of this handbook, are available online at the DOH website and can be made available in hard copy from the WIC Program. Retail employees must read this booklet and understand the contents prior to handling WIC Checks. In addition, on the SD Department of Health website, Cashier Training module is available. Employees should view this as part of their orientation. At least one representative of the retailer must participate in training provided by the WIC Program annually. Store managers or the person determined to train store associates must attend a face-to-face WIC training session provided by the WIC Program once every three years.

Compliance with Program:

Authorizing permission for compliance

By signing the Retailer Agreement, you are authorizing the WIC Program or a contract agency to test your employees' level of understanding of WIC Program regulations by conducting Educational or Compliance Buys. The procedure for these is discussed in the section, "State Agency Responsibilities."

SD Retailer Price List

A South Dakota Retailer Price List must be completed with the initial application and when requested by the WIC Program. Requests for the price list may be quarterly. Information obtained from the Price List is used by the WIC Program to estimate food cost obligations and to screen redeemed WIC Checks. The Price List is mailed to you and must be returned within the time frame stated with the accompanying Retailer Note. Failure to return the required Price List could result in suspension or sanctioning from the WIC Program.

A current list of the approved foods (food shopping guide) and the price list are located in the front of this booklet.

Minimum Stocking Requirements of the SD WIC Program

The Retailer agrees to stock the following varieties and minimum quantities of WIC approved foods as specified on the WIC Approved Food List. Failure to meet these stocking requirements during this agreement period may cause this Agreement to be terminated or sanctions to be applied to retailer by WIC Program. The State Office will determine store size during the application process. Store size is based upon total annual food sales.

MINIMUM STOCKING REQUIREMENTS – SMALL STORES

Infant Formula and Foods

Infant Formula

- 9 cans of the standard contract powdered infant formulas in the 12.9 ounce size, either soy or milk based; or
- 24 cans of the standard contract liquid formulas in the 13 ounce size, either soy or milk based.
 - The retailer agrees to stock other brands of formula on an as needed basis. Infant formula must be purchased only from a wholesaler, distributor, or retailer on the WIC Program's approved list.

Infant Foods

- 3 boxes of at least 2 varieties of approved infant cereal.
- 72 (4) ounce jars of at least 2 varieties of infant fruits and vegetables.
- 72 (3.5) ounce jars of at least 2 varieties of infant fruits and vegetables.
- 36 (2.5) ounce jars of at least 2 varieties of infant meats.
 - An exception can be granted for retailers who do not have any infants on the WIC Program. Retailers must contact the State WIC Office to be granted an exception. The retailer must be able to supply the infant formula, cereal and baby foods within 24-48 hours.

Dairy

Milks:

- 12 gallons of fluid milk may include quart, half-gallon, and gallon sizes. Must include, whole milk, 1%, 2% and skim milk.
- Retailer must be able to supply the following, evaporated, dry, lactose-reduced, acidophilus, and goat's milk as requested by the WIC Program or WIC participant.
 - Retailer must be able to supply approved soy beverage as requested by WIC Program or by participant.
 - Requested specialty milks must be available within 72 hours.

Cheeses:

- 4 pounds, in combination of 8 ounce or 1 pound packages of 2 varieties of the following approved cheeses: American, Cheddar, Colby, Colby Jack, Monterey Jack, part skim Mozzarella. Must be random weight, pre-packaged, pre-labeled and pre-priced. Must be in block or round.
 - WIC Program will allow Kraft Deluxe American Cheese in the box.

Eggs:

- 4 dozen medium or large graded fresh eggs.

Breakfast Cereals

Cold and Hot Cereals

- 2 boxes or bags of at least 4 different varieties of authorized cold cereals.
 - At least one variety must be a whole grain.
- 2 boxes of at least 1 authorized hot cereal.
 - At least one variety must be a whole grain.

Fruit and Vegetable Juices

Juices

- 6 (64) ounce 100% authorized fruit juice, minimum 2 flavors
- 4 (64) ounce containers of tomato or 100% vegetable juice
- 12 (12) ounce cans of frozen 100% fruit juice, minimum 2 flavors
 - Retailer agrees to stock 8 to 16 ounce single serving approved juices as requested by the WIC Program or WIC participant.

Mature Legumes

Dried Peas/Beans Canned Peas/Beans

- 4 (1) pound bags of dried beans and or peas, any variety.
- 8 (16) ounce canned beans/peas

Peanut Butter

- 4 (18) ounce or less containers 100% peanut butter.

Fish

Canned Fish

- 4 (5-6.5) ounce cans of light tuna in water or oil pack.
- 4 (3.75) ounce cans or sardines.
- 6 (5) ounce cans pink salmon **or** 4 (14.75) ounce cans pink salmon.

Whole Grains

Whole Grains- Breads, Rice, Oatmeal and Tortillas

- 4 (16) ounce or smaller loaves of whole wheat or authorized whole grain breads.
- 4 (8) ounce or 2 (16) ounce packages of brown rice, may be instant, regular or quick cooking.
- 4 (16) ounce or smaller containers oatmeal in canisters. May be quick or regular cooking.
 - As requested by WIC Program or WIC participant, retailer agrees to stock corn or whole wheat tortillas in 8 or 16 ounce packages.

Fruits and Vegetables

Fresh and Frozen Fruits

- 2 pounds of each fresh or frozen of 4 varieties, such as but not limited to apples, bananas, grapes, grapefruit, melons, oranges, peaches, pears, pineapple, strawberries, or raspberries.
 - Retailer will also carry canned fruits with no added sugar. 4 cans of at least 2 varieties.

Fresh and Frozen Vegetables

- 2 pounds of each fresh or frozen of 4 varieties, such as but not limited to bell peppers, broccoli, cabbage, carrots, cauliflower, celery, corn, cucumber, green beans, lettuce, onions, squash, tomatoes, spinach and sweet potatoes and yams.
 - Retailer will also carry canned vegetables with no added sugar. 4 cans of at least 2 varieties.

MINIMUM STOCKING REQUIREMENTS – LARGE STORES

Infant Formula and Foods

Infant Formula

- 18 cans of the standard contract powdered infant formulas in the 12.5 ounce size, either soy or milk based; or
- 48 cans of the standard contract liquid formulas in the 13 ounce size, either soy or milk based.
 - The retailer agrees to stock other brands of formula on an as needed basis. Infant formula must be purchased only from a wholesaler, distributor, or retailer on the WIC Program's approved list.

Infant Foods

- 6 boxes of at least 2 varieties of approved infant cereal.
- 144 (4) ounce jars of at least 2 varieties of infant fruits and vegetables.
- 144 (3.5) ounce jars of at least 2 varieties of infant fruits and vegetables
- 72 (2.5) ounce jars of at least 2 varieties of infant meats.
 - An exception can be granted for retailers who do not have any infants on the WIC Program. Retailers must contact the State WIC Office to be granted an exception. The retailer must be able to supply the infant formula, cereal and baby foods within 24-48 hours.

Dairy

Milks:

- 24 gallons of fluid milk may include quart, half-gallon, and gallon sizes. Must include, whole milk, 1%, 2% and skim milk.
- Retailer must be able to supply the following, evaporated, dry, lactose-reduced, acidophilus, and goat's milk as requested by the WIC Program or WIC participant.
 - Retailer must be able to supply approved soy beverage as requested by WIC Program or by participant.
 - Requested specialty milks must be available within 72 hours.

Cheeses:

- 8 pounds, in combination of 8 ounce or 1 pound packages of 2 varieties of the following approved cheeses: American, Cheddar, Colby, Colby Jack, Monterey Jack, part skim Mozzarella. Must be random weight, pre-packaged, pre-labeled and pre-priced. Must be in block or round.
 - WIC Program will allow Kraft Deluxe American Cheese in the box.

Eggs:

- 8 dozen medium or large graded fresh eggs.

**Breakfast
Cereals**

Cold and Hot Cereals

- 4 boxes or bags of at least 4 different varieties of authorized cold cereals.
 - At least one variety must be a whole grain.
- 4 boxes of at least 1 authorized hot cereal.
 - At least one variety must be a whole grain.

**Fruit and
Vegetable
Juices**

Juices

- 24 (64) ounce 100% authorized fruit juice, minimum 2 flavors
- 16 (64) ounce containers of tomato or 100% vegetable juice
- 48 (12) ounce cans of frozen 100% fruit juice, minimum 2 flavors
 - Retailer agrees to stock 8 to 16 ounce single serving approved juices as requested by the WIC Program or WIC participant.

**Mature
Legumes**

Dried Peas/Beans Canned Peas/Beans

- 8 (1) pound bags of dried beans and or peas, any variety.
- 16 (16) ounce canned beans/peas

Peanut Butter

- 8 (18) ounce or less containers 100% peanut butter.

Fish**Canned Fish**

- 8 (5-6.5) ounce cans of light tuna in water or oil pack.
- 8 (3.75) ounce cans or sardines.
- 12 (5) ounce cans pink salmon **or** 4 (14.75) ounce cans pink salmon.

Whole Grains**Whole Grains- Breads, Rice, Oatmeal and Tortillas**

- 8 (16) ounce or smaller loaves of whole wheat or authorized whole grain breads.
- 8 (8) ounce or 4 (16) ounce packages of brown rice, may be instant, regular or quick cooking.
- 8 (16) ounce or smaller containers oatmeal in canisters. May be quick or regular cooking.
 - As requested by WIC Program or WIC participant, retailer agrees to stock corn or whole wheat tortillas in 8 or 16 ounce packages.

Fruits and Vegetables**Fresh and Frozen Fruits**

- 4 pounds of each fresh or frozen of 4 varieties, such as but not limited to apples, bananas, grapes, grapefruit, melons, oranges, peaches, pears, pineapple, strawberries, or raspberries.
 - Retailer will also carry canned fruits with no added sugar. 8 cans of at least 2 varieties.

Fresh and Frozen Vegetables

- 4 pounds of each fresh or frozen of 4 varieties, such as but not limited to bell peppers, broccoli, cabbage, carrots, cauliflower, celery, corn, cucumber, green beans, lettuce, onions, squash, tomatoes, spinach and sweet potatoes and yams.
 - Retailer will also carry canned vegetables with no added sugar. 8 cans of at least 2 varieties.

WIC Transactions

Overview When handling WIC Checks, there are federal and state regulations that every retailer must follow. These regulations are outlined in the following sections. Each time a retailer accepts a WIC Check, the retailer certifies that the WIC Program regulations were followed in that transaction. Any retailer that accepts WIC Checks in accordance with the WIC Program regulations is guaranteed payment. Failure to adhere to these regulations could result in non payment of WIC Checks or in a retailer’s suspension from participation in the WIC Program.

The retailer’s cooperation is essential to the WIC Program. It is the retailer’s responsibility to ensure that this information is clearly understood by all store employees who will be involved in WIC transactions. Training materials are located in the back portion of this document.

Redemption in South Dakota Only Any current issued South Dakota WIC Check may be redeemed at any South Dakota authorized WIC Retailer.

WIC Participant Education at the Local Agency Before receiving his/her WIC Checks, each WIC participant receives detailed instructions on how to redeem them in the retail setting. In addition, WIC participants are advised to inform cashiers at the checkout counter that they are using WIC Checks and to separate the foods by each WIC Check. It may be necessary for store associates to assist some participants in redeeming their WIC Checks correctly.

Identification When purchasing foods or formula with WIC Checks a participant must present his/her WIC Identification (commonly known as the “WIC ID Pouch”). This pouch is required for identification purposes before WIC Checks can be accepted. The pouch contains the participant, payee, and alternate signatures and should be used to compare the signature on the WIC Checks at the time of redemption.
Note: No other identification may be required of a WIC participant.

Regulations for WIC Transactions

What Can Be Purchased Only the food items and quantities printed on WIC Checks may be purchased. Where brand names are specified, only those brands can be purchased. A participant cannot buy **more** than the total quantity of food that appears on each WIC Check, but they may purchase **less**. (**WIC participants are permitted to use vendor and manufacturer coupons and buy-one-get-one promotions to purchase WIC foods**). Retailers are allowed to use incentive items that are:

- Merchandise obtained at no cost to the retailer and provided to participants without charge,
- Food of nominal value and merchandise of nominal value,
- Food sales or specials which involve no cost or only a nominal value for the retailer regarding the food items involved, and
- Do not result in a charge to a WIC Check for foods in excess of the foods

listed on the WIC Check.

The credit due from any promotion is to be deducted from the WIC purchase.

- Nominal Value** Nominal value is defined as value less than \$2.00 of the retail price of the product being purchased with a WIC Check(s).
- Not Allowed Substitutions** Retailers shall not allow substitutions, cash, credit, refunds, or exchanges. No rain checks are to be written for WIC foods not available at the time the WIC check is redeemed.
- First and Last Day of Use** WIC Checks must be transacted by participants after 12:01 am on the “First Day of Use” (issue date) and no later than 12:00 pm (midnight) of the “Last Day of Use.” (expiration date)
These dates are printed on each WIC Check. To allow purchase outside the indicated dates may result in non payment.

Completing WIC Transactions

Steps to a Successful WIC Transaction To ensure payment of WIC Checks follow the steps in the table below when completing a WIC transaction.

Step	Action
1	Check that the WIC participant has the WIC Identification Pouch.
2	The first and last valid date of use appears printed on the WIC Check. Transaction must take place within the dates on the WIC Check.
3	Allow the purchase of only those foods and specified amounts of foods authorized as stated on the WIC Check.
4	Total the foods for each WIC Check separately. Each WIC Check must be a separate transaction.
5	The participant must enter the date of use and amount of the transaction, unless participant requests the cashier do so.
6 Note:	Have the participant sign the WIC Check. The participant signs only <u>after</u> the date and amount are entered to verify that they are correct.
7 Note: Note:	Verify that the signature on the WIC Check matches one of the signatures on the WIC Identification Pouch. Never accept “pre-signed” WIC Checks. The Retailer is not to accept the WIC Check if none of the signatures on the pouch match the one on the WIC Check.
8	Make sure register receipt indicates that a WIC transaction took place.

Retailer Identification of Redeemed WIC Checks	The retailer is responsible for stamping its WIC retailer number in the “SD WIC Retailer” box on the face of each WIC Check. (The WIC Program supplies Retailer ID stamps. The retailer may not create a WIC ID stamp without authorization.) This stamp must be applied either at the time of the transaction or in the cash office prior to depositing the WIC Checks at the bank. The retailer ID number must be legible for WIC Checks to be honored by the bank. It is the responsibility of the retailer to properly maintain the stamp issued by the WIC Program. Please call State Office to request replacement stamps at 605-773-4782 or 605-773-6206.
No Cash, Credit, Refund, or Exchanges for FI’s	A Retailer shall not allow cash to be used in conjunction with a WIC Check transaction. A WIC Check is good only for the actual cost of the authorized foods; change or credit is never to be given to the participant following redemption of a WIC Check.
Cash payment for Cash Value Vouchers	<p>If a participant selects more fresh fruits and/or vegetables than the dollar amount on a Cash Value Voucher, they are allowed to pay the difference; this is to allow for the retailer not to have spoilage.</p> <p>Foods purchased with WIC Check are not to be returned for cash or credit. Print WIC on all WIC receipts to avoid any confusion. WIC Checks can ever be exchanged for cash.</p>
Payment of WIC Checks	<p>Retailers must submit WIC Checks for payment <u>within 45 days of the date of issuance</u>. A retailer will receive payment only if the WIC Check is properly completed in accordance with WIC Program regulations. A WIC Check will not be honored by the state’s bank if it:</p> <ul style="list-style-type: none"> • Exceeds the maximum amount allowed, by peer group • Is not stamped with an authorized retailer stamp, or the stamp is illegible • Is missing the participant signature • Is invalid (redemption date is prior to the first date of use) • Is expired (redemption date is past the last valid date of use) • Has been altered in any way, without correct authorization • Is issued by any WIC agency other than the State of South Dakota
Price Adjustment	<p>The South Dakota WIC Program’s contract bank reviews all redeemed WIC Checks to ensure that prices charged to WIC participants do not exceed the maximum allowed. If a WIC Check exceeds its statewide peer group value by a certain percentage, the WIC Check is returned to the retailer. The retailer is expected to change the amount of the WIC Check to an allowable amount, and receive authorization for redeposit from the WIC Program. (Contact the State Office)</p> <p>If a WIC Check has been rejected by the state’s bank, call the State Office so they may issue an authorization for redeposit. 605-773-3361.</p>

Non-Discrimination Authorized retailers may not refuse to accept a properly presented WIC Check from any SD WIC participant. The retailer must comply with the nondiscrimination provisions of Departmental regulations 7 CFR parts 15, 15a and 15b.

WIC Program Violations The WIC Program will notify retailers who violate the WIC Program regulations in writing. A description of violations and corresponding application of sanctions that may be issued are found in the Retailer Agreement, Section II F 1-5 (pages 3-5).

Local WIC Agency and WIC Program Responsibilities

Local WIC Agency Responsibilities The local WIC agency is responsible for each of the following:

- Issuing the correct WIC Check to each participant.
- Instructing WIC Program participants on the proper use of WIC Checks.
- Contacting participants if needed to resolve issues between retailers and participants.

WIC Program Responsibilities The WIC Program is responsible for each of the following:

- Training all staff at the local agencies in use of WIC Checks.
- Training all authorized retailers.
- Follow-up on all questions and complaints from retailers.
- Follow-up on all questions and complaints from participants.
- Communicating changes in WIC Program policies and procedures to retailers.
- Monitoring of retailers.

Retail Monitoring The WIC Program determines when retailers will be monitored. The WIC Program or a designated contract agency staff will conduct an on-site monitoring visit to each authorized retailer. Monitoring visits may include any or all of the following:

- An “educational buy” in which WIC Program staff or contract agency staff attempt to purchase unauthorized food items,
- Review of inventory levels prior to renewing a retailer agreement,
- Compliance buys, or
- Compliance investigations.

Educational Buys (Monitor visit) If during an educational buy; non-compliance with WIC Program regulations are discovered, the store owner/manager must comply with the appropriate corrective action plan to prevent future non-compliance. WIC staff will make return visits to any retailer that fails a monitoring visit. If applicable, the WIC Program shall apply sanctions after a second violation, in accordance with the schedule of WIC Program violations found in the Retailer Agreement, Section II F 1-5 (pages 3-5).

Compliance Investigation

Compliance investigations will be conducted annually at a percentage of retailers as mandated in federal regulations. A compliance investigation includes a sufficient number of compliance buys to provide evidence of WIC Program noncompliance, two compliance buys in which no WIC Program violations are found, or when an inventory audit has been completed. A compliance buy means a covert, on-site investigation in which a representative of the WIC Program poses as a participant, parent, caretaker, or proxy, transacts one or more WIC Checks and does not reveal during the visit that he or she is a WIC representative. The WIC Program or private entity under contract with the Department may perform compliance buys. If applicable, the WIC Program shall apply sanctions after a second violation, in accordance with the schedule of WIC Program violations found in the Retailer Agreement, Section II F 1-5 (pages 3-5). The State Agency must notify a vendor in writing when an investigation reveals an initial incidence of a violation for which a pattern of incidences must be established in order to impose a sanction unless the State determines that notifying a vendor would compromise an investigation.

Sanctions for WIC Program Violations

Overview

There are five types of penalties that may be applied to retailers for violations of WIC Program regulations. These penalties are:

- Nonpayment of WIC Checks
- Issuance of sanction points
- Temporary disqualifications (6 months, 1 year, 3 years, 6 years)
- Permanent disqualification
- Civil money penalties

Retailers who are disqualified from participation in, or have a civil monetary penalty imposed by the SNAP Program shall be automatically suspended from the WIC Program.

Nonpayment of WIC Checks

As a result of prepayment edits conducted by the contract bank, improperly completed WIC Checks are refused payment and returned to the retailer. WIC Checks are pre-edited for:

- Missing authorized retailer stamp, illegible retailer stamp, and invalid stamp
- Missing signature, invalid redemption date, missing or illegible redemption date and
- Price exceeding the maximum value allowed for a specific WIC Check

**Issuance of
Violation Points**

Administrative and procedural violations of the WIC Retailer Agreement are an indication of a retailer's inattention to or disregard of the requirements of the WIC Retailer Agreement. It is in the WIC Program's interest to record these violations and take them into account when considering whether to continue its contractual relationship with the retailer. Any retailer who has been assessed more than 25 violation points during a contract period may not be offered a new contract. A list of violations and the resulting sanction points are found in the Retailer Agreement , Section II F 1-5 (pages 3-5)

Notice of Violation

Retailers will be notified of WIC Program violations in writing to allow the retailer to come into WIC Program compliance. No sanction points will be applied for a single violation but sanctions may be applied if found that the retailer has not come into compliance with the WIC Program regulations after further investigations have taken place. If the WIC Program determines that notifying the retailer would compromise an investigation written notification does not have to take place.

Fines

The State Office has the right to modify payment or to assess a claim for WIC Checks transacted for unauthorized foods, other items, or with sales tax charged.

The Vendor shall receive a written warning for the first month where they have twenty-five (25) or more WIC Checks returned. The State Office will assess the Vendor a fine of fifty (50) dollars for the first month in which returned WIC Checks exceed twenty-five (25) after a warning has been given.

For the second month after the warning in which returned WIC Checks exceed twenty-five (25), the State Office will assess a fine of seventy-five (75) dollars and the Vendor will be required to attend mandatory training.

For the third and any subsequent occurrences during the agreement period, the State Office will assess a one hundred (100) dollar fine and make a claim for recoupment of the total amount of all checks returned for that month.

The reasons that checks are returned could include one or more of the following:

- 01 Missing Signature
- 02 Illegible Vendor Stamp
- 03 Invalid Vendor
- 04 Missing Vendor Stamp
- 05 Altered Check
- 06 Invalid Redemption Date
- 07 Missing Redemption Date
- 08 Unreadable Redemption Date
- 09 Check Exceeds Maximum Amount
- 10 Inactive Vendor

WIC Program Disqualification

- Six Month Disqualification** With an administrative finding of the following violations, the retailer will be disqualified for six months:
- State Agency Mandated**
1. Accumulation of 25 or more administrative and procedural violation points during any Agreement period. See Retailer Agreement Section II F 1-5 (pages 3-5) for violations and corresponding sanction points.
- One-year Disqualification** With an administrative finding of the following violations, the retailer will be disqualified for one year:
- State Agency Mandated:**
1. Accumulation of 26 or more administrative and procedural violation points during any Agreement period.
 2. Failure to provide access to store premises or in any manner to hinder, impede or misinform authorized WIC personnel in the act of conducting an on-site education, monitoring or investigation visit.
 3. Submitting a WIC Checks redeemed by another authorized retailer for payment.
 4. Threatening or verbally abusing WIC participants or authorized WIC Program personnel in the conduct of legitimate WIC Program transactions.
 5. Submission for payment of WIC Checks known by the retailer to have been lost or stolen.
 6. Participating with other individuals including but not limited to WIC employees, retailers, and participants, in systematic efforts to submit false claims for reimbursement of improper WIC Check.
- Federally Mandate:**
7. Retailer found exhibiting a pattern of allowing purchase of non-approved items for purchase in exchange for WIC Checks including charging for supplemental foods in excess of those listed on the WIC Checks. Federal Mandatory Sanction.

Three-year Disqualification	With an administrative finding of the following violations, the retailer will be disqualified for three years:
Federally Mandated	<ol style="list-style-type: none"> 1. A pattern of charging WIC participants more than non-WIC customers or charging WIC participants more than the current shelf price. 2. A pattern of charging for items not received by the WIC participant. 3. A pattern of providing credit or nonfood items, except for alcohol, alcoholic beverages, or tobacco products, in exchange for WIC Check. 4. One incidence of allowing the purchase of alcohol, alcoholic beverages, or tobacco products with a WIC Check. 5. A pattern of receiving, transacting, or redeeming WIC Checks outside authorized channels, including through unauthorized retailers or persons. 6. A pattern of claiming reimbursement for the sale of a quantity of a specific food item which exceeds the store's documented inventory of that food item for a specified period of time.
Six-year Disqualification	With an administrative finding of the following violations, the retailer will be disqualified for six years:
Federally Mandated	<ol style="list-style-type: none"> 1. One incidence of buying or selling WIC Checks for cash (trafficking). 2. One incidence 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 Check.
Items Resulting in Extended Disqualification Period	The following items do not have a point value, but shall result in or extend a disqualification period:
	<ol style="list-style-type: none"> 1. A 30-day extension of a disqualification period will result from failure to return WIC retailer stamp(s) to the WIC Program within 10 days of effective date of disqualification, or expiration of agreement following denial of subsequent application. 2. For each month in which a retailer accepts WIC Checks during a disqualification period, the disqualification period shall be extended by 30 days.
Permanent Disqualification	The WIC Program shall permanently disqualify a retailer convicted in a criminal court of law for trafficking of WIC Checks; for 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 Checks.
Federally Mandated	A retailer shall not be entitled to receive any compensation for revenues lost as a result of such violation. A retailer who is disqualified from participation in, or have a civil monetary penalty imposed by the SNAP Program shall be automatically suspended from the WIC Program.

Automatic Disqualification

State and Federal regulations provide for mandatory sanctions up to and including disqualification. Disqualification from the WIC Program may result in a Retailer disqualification from the SNAP Program. Such disqualification is not subject to administrative or judicial review under the SNAP. A Retailer may be disqualified if during the WIC Agreement period, the retailer is disqualified from the SNAP Program. However if the WIC Program determines that the Retailer is needed to ensure participant access, the WIC Program must impose a Civil Money Penalty in lieu of disqualification as stated in 7 CFR 246.12(1)(1)(ix).

Conflict of Interest

Retailer Agreements will be terminated if the WIC Program identifies a conflict of interest between the retailer or and the WIC Program or with the local WIC agencies. Retailers must inform all store associates that they are prohibited from using their position to influence a WIC participant's selection of a WIC retailer. Retailers must establish safeguards to prevent employees from using their positions for the purposes that are, or give the appearance of being, motivated by the desire for private gain for themselves or others with who they have a close personal relationship, business or other ties.

Notice of Disqualification

A minimum of 30 days' notice is provided prior to all disqualifications. When the WIC Program determines that an offense has occurred, a disqualification letter with supporting documentation is sent to the retailer. The disqualification letter identifies the specific offense that the retailer is charged with and the procedures for filing an appeal. Voluntarily withdrawal from the WIC agreement to avoid a sanction is not allowed.

The WIC Program is responsible for issuing all violation and disqualification letters. Local WIC agencies are informed of all retailer correspondence regarding violations. In situations where participant violations are also involved, the local WIC agency along with the State Office is responsible for follow-up.

Civil and Criminal Prosecution

A retailer who commits fraud or abuse of the WIC Program is liable to prosecution under applicable Federal, State or local laws. Those who have willfully misapplied, stolen or fraudulently obtained WIC Program funds will be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100.00 or more. If the value is less than \$100.00, the penalties are a fine of not more than \$1,000.00 or imprisonment for not more than one year or both.

The above sanctions notwithstanding, the State of South Dakota reserves the right to seek civil and criminal prosecution of WIC retailers for any and all instances of fraud or cases in which there exists evidence of a clear business practice to improperly obtain WIC funds, or other practices meeting the definition of fraud as defined in 7 CFR 246 of the Federal Code.

Probation

A compliance buy is considered complete when:

The State Agency determines that a sufficient number of compliance buys have been conducted to provide evidence of WIC Program compliance, when two (2) compliance buys are conducted in which no WIC Program violations are found or when an inventory audit has been completed. A maximum of five (5) compliance buys will be conducted to determine WIC Program compliance or noncompliance.

- Minimum of two clean compliance buys conducted during contract period.
- If no violations are detected after two, clean compliance buys, no other visits are required unless circumstances indicate retailer needs to be monitored again.
- If bad buys take place during five consecutive buys:
 - The retailer will be on probation for at least a three month period during which a minimum of two clean compliance buys must take place.
 - If two clean buys do not take place during the probationary period, the retailer's contract will be suspended for a six month period.
- If repeated violations are detected during compliance buys:
 - Training is provided and a minimum of one education buy is conducted.
- If no violations are detected, no further monitoring is required during remainder of contract period.
- The State must notify a vendor in writing when an investigation reveals an initial incidence of a violation for which a pattern of incidences must be established in order to impose a sanction unless the State determines that notifying a vendor would compromise an investigation.

Civil Money Penalty (CMP)

CMP in lieu of Disqualification	<p>The WIC Program shall impose a civil money penalty (CMP) in lieu of disqualification when it determines, in its sole discretion, and documents in accordance with federal regulations, that:</p> <ol style="list-style-type: none">1. Disqualification of the retailer would result in inadequate participant access; or2. The retailer had, at the time of the violation, an effective policy and program in effect to prevent trafficking, and the ownership of the retailer was not aware of, did not approve of, and was not involved in the conduct of the violation.
Calculating CMP	<p>The amount of the civil money penalty shall not exceed \$11,000 for each violation, nor will it exceed \$44,000 for all violations found in a single investigation. A plan for installment payment of CMP can be negotiated between the Retailer and the WIC Program. Failure to pay a CMP will result in disqualification as a WIC retailer for the length of the disqualification corresponding to the violation for which the CMP was assessed.</p> <p><u>Note:</u> The CMP is not an option when a retailer has had two or more previous sanctions that could have resulted in disqualification</p>
Maximum CMP	<p>When a retailer has been sanctioned previously for any of the violations that would incur a disqualification or civil money penalty, and receives a second sanction for any of these violations, the sanction for the second offense will be doubled, except that civil money penalties may not exceed \$44,000 for a single investigation. For third and subsequent violations, the sanction will again be doubled, and there is no option for civil money penalty in lieu of disqualification.</p>
Federal Register	<p>The Department shall use the civil money penalty formula in accordance with the Federal Register, Volume 64, Number 52, Thursday March 18, 1999, paragraph 246.12(l) (l) (x) to determine the CMP.</p>

Administrative Appeals Procedure

- Overview** A retailer shall have a right to appeal when a WIC application is denied, and for other adverse decisions made by the WIC Program that affect retailer participation in the WIC Program. However, expiration of a contract, suspension from the WIC Program based on SNAP disqualification, and the Department's determination regarding participant access are not subject to appeal. Retailer sanctions are applied in accordance with a schedule of violations, as provided in the Retailer Agreement, Section II F 1-5 (pages 3-5).
- Actions Subject to Appeal** The following actions are subject to administrative review according to federal guidelines:
- Denial of authorization based on the retailer selection criteria for competitive price or for minimum variety and quantity of authorized supplemental foods and/or on a determination that the retailer is attempting to circumvent a sanction.
 - Termination of an agreement for just cause.
 - Disqualification from the WIC Program and imposition of a fine or a CMP in lieu of a disqualification.
 - Denial of authorization based on the retailer selection criteria for business integrity or for a current SNAP disqualification or CMP for hardship.
 - Denial of authorization based on WIC Program established retailer selection criterion if the basis of the denial is a WIC retailer sanction or a SNAP withdrawal of authorization or disqualification.
 - Denial of authorization based on the WIC Program's retailer limiting criteria.
 - Denial of authorization because a retailer submitted an application outside the timeframes during which applications was being accepted and processed as established by the WIC Program.
 - Termination of an agreement because of a change in ownership or location or cessation of operations.
 - Disqualification based on a trafficking conviction.
 - A Civil Money Penalty imposed in lieu of disqualification based on a SNAP disqualification for hardship.
 - Disqualification or a CMP imposed in lieu of disqualification based on a mandatory sanction imposed by another WIC Program.
 - Denial of an application based on a determination of whether an applicant retailer is currently authorized by the SNAP Program.
 - Disqualification based on imposition of SNAP civil money penalty for hardship.
 - Application of peer group criteria and above 50% status determination are subject to administrative review, when the application for this criteria is the basis of the adverse action (denial of authorization or termination of agreement for cause).

**Actions Not
Subject to
Appeal**

The state WIC Program will not provide an administrative review for the following actions:

- The validity or appropriateness of the WIC Program's retailer limiting or selection criteria for minimum variety and quantity, business integrity, and current SNAP DQ or CMP.
- The validity or appropriateness of the WIC Program's retailer peer group criteria and the criteria used to identify retailers that are above 50% retailers or comparable to above 50% retailers.
- The validity or appropriateness of the WIC Program's participant access criteria and the WIC Program's participant access criteria and the WIC Program's participant access determination.
- The WIC Program's determination whether a retailer had an effective policy and program in effect to prevent trafficking and that the ownership of the retailer was not aware of, did not approve of, and was not involved in the conduct of the violation.
- Denial of authorization if the WIC Program's retailer authorization is subject to the procurement procedures applicable to the State agency.
- The expiration of a Retailer Agreement.
- Disputes regarding WIC Check payments and retailer claims other than the opportunity to justify or to make corrections on WIC Checks.
- Disqualification of a retailer as a result of a disqualification from the SNAP Program.
- The WIC Program's determination whether to notify a retailer when an investigation reveals an initial violation for which a pattern of violations must be established in order to impose a sanction.
- The WIC Program's determination to include or exclude an infant formula manufacturer, wholesaler, distributor or retail from the approved formula list.

Process for fair Hearing and Appeals

The following table describes the steps in the administrative appeals process. Appealing an action does not relieve a retailer from the responsibility of continued compliance with the terms of written agreement with the State WIC Program.

Step	Action
1	Within 15 days from the date of notification of adverse action, the retailer must make a written request for administrative appeal to the South Dakota Dept of Health, Administrator of The Office of Family Health. 600 E Capital Ave; Pierre SD 57501. The request must identify the individual representing the Retailer and the action to be appealed.
2	Within three (3) weeks from the date of receipt of request a hearing will be held. At least ten (10) days advance written notice will be given the retailer, specifying the time and place of the hearing. Hearings may be conducted by telephone or in person in a location convenient for both parties.
3	The party requesting the hearing is given the opportunity to: <ul style="list-style-type: none"> • Examine the documents and case records that are relevant to support of the decision under appeal. • Present its case during the hearing • Confront and cross-examine adverse witnesses, and • Be represented by counsel at the party's own expense.
4	A written decision of the administrative hearing shall be issued, within 60 days from the date of the request for a hearing unless the parties agree to a longer period of time.
5	If either party to the appeal is dissatisfied with the hearing decision, they may appeal for a review by the SD Dept of Health Secretary. This appeal must be made within 10 days after receipt of the contested decision.

Public Records

All records of the appeals, hearing and the decision are available for public inspection.

Signing the WIC Retailer Agreement (In front of handbook)

Introduction	A potential retailer must apply to the WIC Program as either a grocery retailer or a special purpose vendor. To be authorized to accept WIC Checks a retailer must have a signed agreement with the South Dakota WIC Program. A retailer may begin to accept WIC Checks only after the retailer and the WIC Program have executed a signed agreement.
Agreement	The WIC Retailer Agreement is found in the front of the handbook. The WIC Program does not retain a separate copy of the entire agreement, but does keep a copy of the signature page. There are two copies of signature page, one for the retailer and one for WIC Program. Both copies must have signatures of the Retailer representative and the WIC Program representative.
Signature Pages	The Retailer must sign both of the signature pages, and return them to the WIC Program. Once the WIC Program verifies that the retailer meets all WIC requirements, one signature page will be returned to the retailer and the other will remain on file with the WIC Program records.
Retailer Authorization	Once the retailer has received the retailer copy of the signature page, and the WIC Program issued Retailer ID stamp, the retailer is authorized to accept and redeem WIC Checks for the contract period.
Agreement Renewal	Agreements must be renewed every three years. The South Dakota WIC Program does not limit the number of acceptable retailers who may participate. Retailers must conform to and continue to comply through out the agreement period with the provisions from the South Dakota WIC Program.