

Helpful Tips

To assist you in successfully transacting and submitting FIs for payment, we have prepared a number of helpful tips. These same tips are available at www.wicworks.ca.gov on the WIC Vendor News page. We encourage you to share these tips with employees who transact FIs, submit serial numbers, or handle FIs that are returned unpaid.

TIPS Preventing Rejected FIs

Begin with Successful Serial Number Submission

- Submit the FI serial numbers electronically using the VWIX website or by direct FTP file submission. Then use VWIX to verify that the serial numbers were successfully received **BEFORE** depositing the FIs in your bank.
- When using the telephone system to submit the serial numbers, you can review your last 3 submissions by selecting option 3. Use VWIX or call the WIC Technical Support Unit at 1-800-224-7472 to make sure that your submission was successfully received, **THEN** deposit the FIs into your bank.

Pay Attention to the Time

- No matter how you submit your serial numbers (phone, VWIX, or FTP), serial numbers submitted Sunday–Thursday before 9 p.m. Pacific Standard Time (PST) will get to the State Treasurer’s Office (STO) the next morning. If you send the serial numbers in after 9 p.m. PST, they will not reach the STO until two business days after your submission. **NOTE:** Since the STO is not open on Saturday or Sunday to process FIs, any submissions received after 9 p.m. PST on Thursday through Sunday at 9 p.m. will reach the STO on Monday morning.



- In some instances, WIC FIs are processed swiftly through the banking system, reaching the STO in less than 24 hours. For example, if you deposit the WIC FIs into your bank during the day, and submit the serial numbers after 9 p.m. PST that same day, those FIs may be returned to you stamped with “Vendor Exceeds Maximum Amount” because your serial number submission did not reach the STO before the STO received your FIs. To reduce the possibility that the FIs you deposit do not ‘beat the serial number’ to the STO, consider submitting serial numbers before 9 p.m. PST. If serial numbers are submitted after 9:00 p.m. PST, consider waiting until the following day to deposit the FIs into your bank.
- The Maximum Allowable Department Reimbursement (MADR) rate is connected to a serial number at the time it is submitted. New MADR rates are effective every other Friday at midnight. So, on Thursdays before a MADR rate change, consider submitting the serial numbers of the FIs transacted in your store that day before midnight. If the serial number is submitted after midnight, its MADR will be the next day’s rate.



Be Sure the FI is Valid

Accept the FI only if it is within the valid date range. Do not accept an FI from a participant prior to the First Day to Use or after the Last Day to Use. You have 15-days after the Last Day to Use to deposit the FI for payment.

VWIX Needs Periodic Maintenance

The VWIX system is generally available 24 hours a day for web access and FTP submission. However, three hours on the first and third Sunday/Monday of each month from 11:00 p.m. – 2:00 a.m. PST are needed for system maintenance. If Monday is a state holiday, the maintenance period is Monday/Tuesday from 11:00 p.m. – 2:00 a.m. This time-frame is different from what we published in our July 2006 newsletter. VWIX will not be available during this period. Please do NOT schedule a direct FTP submission to occur during these hours and days of the month, since there is a possibility that your submission will not be received and processed correctly. As an additional aid to vendors, a 2007 schedule



of planned system down time is available on our website at www.wicworks.ca.gov. The VWIX system maintenance period does not affect the telephone system availability.

In addition to the routine system maintenance outages, we anticipate monthly periods of 1-2 hours in the early morning when VWIX is not available in order to upgrade the system – add features and fixes. We will announce these at least one week in advance on both the VWIX and the www.wicworks.ca.gov websites. These maintenance periods will not affect direct FTP submissions or telephone system availability.

Working with Your Bank

On December 17, 2006, WIC sent a letter to each of the banks that submit FIs to the State Treasurer's Office for payment. The letter explains that WIC has changed its processes and that some vendors have notified WIC that they are experiencing costly bank fees and other penalties due to returned FIs. In this letter, WIC asked banks to consider waiving or reducing the fees or penalties charged to a vendor's bank account during this time of transition to peer group pricing and AAV. A copy of this letter will be sent to vendors upon their request or can be obtained at www.wicworks.ca.gov. We recommend that vendors use this letter to discuss concerns about bank fees and penalties with their bank.



Be Aware of Upcoming MADR Rate Changes

Vendors are able to preview the new MADR rates on the VWIX website, vwix.dhs.ca.gov, five days before they become effective—Sunday, 12:01 a.m. to Friday, 12:01 a.m. This same information is available to vendors using the WIC vendor telephone system. A 2007 schedule of upcoming MADR rate changes is available on the WIC website at www.wicworks.ca.gov.

TIPS

What to do When FIs are Rejected for Payment

Some FIs may be rejected for payment and returned to you through the banking system. These FIs will be stamped in red or black ink identifying the specific error.

**VENDOR
EXCEEDS
MAX
AMOUNT**

Problem: WIC did not receive a successful and timely serial number submission for this FI. Without the submission, WIC cannot identify the vendor that accepted the FI and therefore cannot assign a Maximum Allowable Department Reimbursement (MADR) rate. This FI is returned to the bank/vendor unpaid.

Option: The vendor may submit the serial number to WIC for this FI by one of the serial number submission options and then redeposit the FI in the bank for payment.

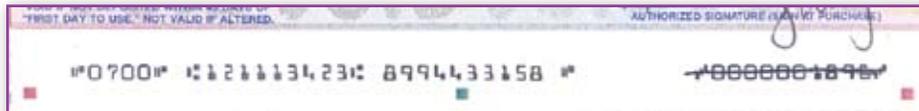
Note: The MADR for the FI will be the rate in effect on the date when the serial number is submitted.

EXCEEDS MAX AMOUNT

Problem: The vendor submitted an FI for payment with an exact purchase price that exceeds the MADR rate. This FI is returned to the bank/vendor unpaid.

Option: The vendor may follow these steps:

1. Cross out the amount entered in the "Exact Purchase Price", writing in another amount that does not exceed the MADR*.
2. Draw a line through only the dollar amount encoded on the strip on the bottom of the FI (using a black ball-point pen, as shown below).



3. Re-deposit the FI in the bank for payment.

***Note:** The MADR for a FI rejected due to Exceeds Max Amount may be obtained by using the WIC program's telephone system. Call 1-888-942-4942 and select option 4. This option will soon be available on our VWIX website as well.



PAYMENT STOPPED
Date
STATE TREASURER

Problem: An FI will have this stamp for one of two possible reasons.

1. WIC will not pay FIs when at the time of the serial number submission the vendor is not WIC authorized, or
2. If the date of serial number submission and/or the FI deposit is prior to the “First Day of Use”, WIC will not pay the FI (Post dated).

Option: The vendor may send the original FI and a letter to the Program Integrity Unit of WIC requesting reimbursement consideration.

Note: These FIs cannot be resubmitted for payment through the bank.



STALE DATE

Problem: If the date of serial number submission and/or the FI deposit is more than 45 days after the “First Day to Use”, WIC will not pay the FI.

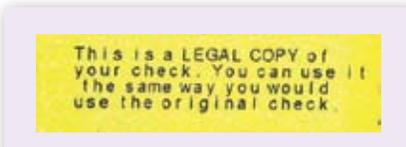
Option: The vendor may send the original FI and a letter to the Program Integrity Unit of WIC requesting reimbursement consideration.

Note: These FIs cannot be resubmitted for payment through the bank.

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Dealing with Substitute Checks

A substitute check is a special paper copy of the front and back of an original FI. A substitute check has the following words printed on the left-hand side: “This is a LEGAL COPY of your check. You can use it the same way you would use the original check.” It will look as follows:



This is a LEGAL COPY of
your check. You can use it
the same way you would
use the original check.

A substitute check may also be called an Image Replacement Document (IRD) or a check copy. You may read more about substitute checks at the Federal Reserve Board website http://www.federalreserve.gov/pubs/check21/consumer_guide.htm.

At a bank’s option, a substitute check is created during the banking process and then used in place of an original FI. A substitute check is accepted through the banking process for payment. If you receive a substitute check that is not legible, contact your bank to obtain a legible copy. WIC cannot assist you in resolving a problem with an illegible substitute check.