

I. VENDOR AND FARMER MANAGEMENT

(Please indicate) State Agency: CA for FY 14/15

Vendor and farmer/farmers' market management includes all those activities associated with selecting, authorizing, training, monitoring, and investigating the State agency's vendor and farmer/farmers' market population for the purpose of reducing fraud and abuse in the WIC Program food delivery system.

A. Vendor Selection and Authorization – 7 CFR 246.4(a)(14)(i), (ii), and (iii): identify the types of food delivery systems used in the State's jurisdiction, describe, if used, the State agency's limiting criteria, describe the State agency's selection criteria, attach a sample vendor agreement. Describe, if applicable, the supervision and instruction the State agency provides to local agencies to which vendor agreement signing has been delegated.

B. Vendor Training – 7 CFR 246.4(a)(14)(xi): describe State and local agency procedures for training WIC Program vendors and farmers/farmers' markets and for documenting all relevant training.

C. High-Risk Vendor Identification Systems – 7 CFR 246.12(j)(3): describe the policies and procedures for identifying and monitoring high-risk vendors through the use of vendor peer groups, food instrument and cash-value voucher (CVV)/cash value benefit (CVB) redemption screening, analysis of overcharging and other violations, the use of price lists, tracking complaints, or other means. *This section may be submitted separately because it is no longer a State Plan requirement but must still be approved by FNS.*

D. Routine Monitoring – 7 CFR 246.4(a)(14)(iv): describe the criteria used to select vendors for routine monitoring as well as the methods and scope of on-site routine monitoring activities. Include any relevant information about the State agency's plans for improvement in the coming year.

E. Compliance Investigations – 7 CFR 246.4(a)(14)(iv): describe the investigative practices and procedures used to conduct both compliance buys and inventory audits for the purpose of detecting, tracking, and documenting vendor noncompliance with program requirements.

F. Vendor Sanction System – 7 CFR 246.4(a)(14)(iii) and (v) and 246.12(h)(5): attach a copy of the State agency's sanction schedule (this should be included in the vendor agreement). Describe, if applicable, any option exercised under § 246.12(l)(1)(i) regarding trafficking convictions.

G. Administrative Review of State Agency Actions – 7 CFR 246.4(a)(14)(iii): describe the procedures for conducting both full and abbreviated administrative reviews.

H. Coordination with the Supplemental Nutrition Assistance Program (SNAP) – 7 CFR 246.4(a)(14)(ii), (a)(14)(iv), and 246.12(h)(3)(xxv): describe the methods and procedures used to coordinate the monitoring and sharing of information on vendors who participate in both the WIC Program and SNAP.

I. VENDOR MANAGEMENT

A. Vendor Selection and Authorization

I. Staff Training on Vendor Management – 7 CFR 246.4(a)(14)(iii), (a)(14)(iv), and (a)(14)(xi): describe the distribution of responsibilities and activities of those individuals at both the State and local levels who are involved in vendor management activities. If applicable, describe the supervision and instruction the State agency provides to local agencies to which vendor management activities have been delegated.

J. Farmer/Farmers' Market Authorization – 7 CFR 246.4(a)(14)(iii), (a)(14)(xi), and 246.12(v): if the State agency authorizes farmers/farmers' markets to accept CVVs/CVBs, describe the authorization process.

K. Farmer/Farmers' Market Agreements – 7 CFR 246.4(a)(14)(iii), (a)(14)(xi), and 246.12(v): if the State agency authorizes farmers/farmers' markets to accept CVVs/CVBs, describe the State agency's agreement with the farmers/farmers' markets and attach a sample farmer/farmers' market agreement.

L. Farmer/Farmers' Market Training – 7 CFR 246.4(a)(14)(iii), (a)(14)(xi), and 246.12(v): if the State agency authorizes farmers/farmers' markets to accept CVVs/CVBs, describe the training provided to the authorized farmers/farmers markets.

M. Farmer/Farmers' Market Monitoring – 7 CFR 246.4(a)(14)(iii), (a)(14)(xi), and 246.12(v): if the State agency authorizes farmers/farmers markets to accept CVVs/CVBs, describe the criteria used for selecting farmers/farmers markets for routine monitoring as well as the method(s) and scope of on-site monitoring of the farmers/farmers markets.

N. Farmer/Farmers' Market Sanctions, Claims, and Appeals – 7 CFR 246.4(a)(14)(iii), (a)(14)(xi), and 246.12(v): if the State agency authorizes farmers/farmers markets to accept CVVs/CVBs, describe the farmer/farmers' market sanctions, claims, and appeals and attach a copy of the farmer/farmers' market sanction schedule (which should be included in the farmer/farmers' market agreement as well).

I. VENDOR MANAGEMENT

A. Vendor Selection and Authorization

1. Number and Distribution of Authorized Vendors

a. The State agency uses limiting criteria to limit the number of vendors it authorizes:

Yes No

b. If yes, check the type of criteria used:

- Vendor/participant ratio
- Vendors/local agency or clinic ratio
- Vendors/local service area or county ratio
- Vendors/geographic area (e.g., number per mile, city block, zip code)
- Vendor/State agency staff ratio
- Other (specify): _____

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

2. Vendor Application Periods

a. The State agency considers applications:

- On an on-going basis (with exception of vendor moratorium periods)
- Annually
- Every two years
- Every three years
- Other (specify): _____

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

3. Vendor Selection and Authorization

a. The vendor selection criteria used to select vendors for program authorization include:

- A competitive price criterion based on:
 - Vendor applicant price lists
 - WIC redemption data
 - A State agency standard drawn from a price survey
 - A standard drawn from another source
 - Other (specify): Shelf prices of a market basket of food items compared to vendors in their peer groups.
- A minimum variety and quantity of supplemental foods criterion that is:
 - Statewide
 - Peer group specific
 - Other (specify): _____

I. VENDOR MANAGEMENT

A. Vendor Selection and Authorization

- A business integrity criterion that includes:
 - No history, during the past six years, among the vendor’s owners, officers, or managers of criminal convictions or civil judgments for activities listed in 7 CFR 246.12(g)(3)(ii)
 - No history of other business-related criminal convictions or civil judgments
 - Lack of previous WIC sanctions
 - Lack of a current SNAP disqualification or civil money penalty for hardship per 7 CFR 246.12(g)(3)(iii)
 - Other (specify): Not serving WIC disqualification period, not outstanding in civil money penalty for hardship or not delinquent on a vendor claim.
- A requirement to obtain infant formula only from sources included in the State agency’s list of State licensed infant formula wholesalers, distributors, and retailers and manufacturers registered with the U.S. Food and Drug Administration
- A requirement to stock a full range of foods in addition to WIC supplemental foods
- A location necessary to ensure adequate participant access*

(Provide State agency’s definition of participant access here, or citation from Vendor Handbook/Procedure Manual): 22 CCR §40740(h): (1) For purposes of this Article, “adequate participant access” means the availability of another food vendor for the participant and shall be determined using the following criteria: (A) The presence of another food vendor in the same geographic area as either the violating food vendor or the local agency clinic site closest to the violating food vendor; and (B) The absence of geographic barriers that prevent participants from redeeming their food instruments at the other food vendor location described in (A), above. (2) For purposes of this Article “same geographic area” is defined as the following: (A) In a rural area, the area within a five mile radius of the violating food vendor or the local agency clinic closest to the violating food vendor. A rural area is defined as an area with a population of less than 10,000 persons according to the most recent United States Decennial Census; or (B) In an urban area, that area within a two mile radius of the violating food vendor or the local agency clinic closest to the violating food vendor. An urban area is defined as an area with a population of ten thousand (10,000) or more according to the most recent United States Decennial Census. (3) For purposes of this Article, geographic barriers means physical barriers or conditions which make ground travel to another food vendor impossible. Geographic barriers include: an unbridged river or canal; a freeway without an overpass or underpass in the same geographic area; an expressway without an overpass, underpass or crosswalk in the same geographic area; and train tracks without a railroad crossing in the same geographic area.

- Redemption of a minimum number/volume of food instruments and CVVs/CVBs
- Satisfactory compliance with previous vendor agreement
- Certification by an approved State or local health department
- Proof of authorization as a SNAP retailer, including SNAP authorization number
- Hours of operation which meet State agency criteria (specify):
W.B.R. §71500 specifies all vendor stores must be open at least eight (8) hours per day, six (6) days per week. Of the eight (8) hours, at least four (4) must be between the core hours of 9:00 a.m. to 5:00 p.m.
- Other criteria (specify): _____
 - Must have and use a cash register

I. VENDOR MANAGEMENT

A. Vendor Selection and Authorization

- Must certify that information provided on a vendor application is true and correct
- No sale of store to circumvent a WIC sanction
- Compliance with Title VI of the Civil Rights Act
- Must comply with incentive restrictions
- Must purchase infant formula from suppliers that have a valid sellers permit
- Must maintain inventory purchase records for three years
- Must comply with minimum technology requirements
- Must comply with WIC logo and acronym use restrictions
- Must post prices of WIC foods
- California WIC will verify that a conflict of interest does not exist at authorization and reauthorization through business integrity review.

Not applicable (explain): _____

b. Explain how the State agency develops and uses the competitive price criteria identified in item 3a to select vendors for authorization.

All individual vendor Store Basket values within a peer group are averaged to form the base price of the overall Market Basket. The individual vendor Store Basket is then compared to the Market Basket price for each their peer group. Vendor prices are not to exceed 120 percent of the average overall Market Basket price by peer group.

(1) The State agency exempts from competitive price criteria pharmacies that provide only exempt infant formula or WIC-eligible medical foods to participants?

Yes No

(2) The State agency has exempted non-profit WIC vendors (other than health or human services agencies that provide food under contract with the State agency) from competitive price criteria.

Yes No

c. The State agency authorizes vendors that derive more than 50 percent of their annual food sales from WIC transactions (i.e., above-50-percent vendors):

Yes No

If “Yes,” please respond to the following:

If “No,” please proceed to item 3d.

I. VENDOR MANAGEMENT

A. Vendor Selection and Authorization

(1) **How many above-50-percent vendors are currently authorized (include all above-50-percent vendors and not just WIC-only vendors) 562 as of May 1, 2014**

(2) **Does the State agency allow above-50-percent vendors to provide incentive items?**

Yes No

If yes, describe the approval process or attach a copy of the relevant application form.

Description (or list the Appendix citation here): See VMB Att. 2 (Incentive Item Approval Process) and VMB Att. 3 (Incentive Item Approval Checklist)

(3) **Does the State agency provide above-50-percent vendors with a list of pre-approved incentive items?**

Yes; please provide list No

Refer to VMB Att. 1 – California WIC Regulatory Bulletin 2013-01 (Vendor Authorization Criteria). §70800

(4) **Does the State agency provide above-50-percent vendors with a list of prohibited incentive items?**

Yes; please provide list No

Refer to VMB Att. 1 – California WIC Regulatory Bulletin 2013-01 (Vendor Authorization Criteria). §70800

d. **The State agency ensures vendors (regular or above-50-percent) do not treat WIC participants differently by offering them incentive items that are not offered to non-WIC customers. (7 CFR 246.12(h)(3)(iii) and WIC Policy Memorandum 2014-3 *Vendor Management: Incentive Items, Vendor Discounts and Coupons*)**

Yes; please explain: Compliance buys, Local Vendor Liaison technical assistance visits, routine monitoring visits, vendor education, responding to complaints received

No; please explain: _____

e. **On-site preauthorization visits are conducted to verify information received during the application process:**

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A. Vendor Selection and Authorization

by SA

by LA

For vendors at initial authorization

For all vendors at authorization/reauthorization

f. The State agency routinely verifies with the appropriate FNS office information provided by vendor applicants regarding the status of their SNAP retailer authorizations.

Yes, please indicate how often: _____ No

During initial authorization , reauthorization and during preparation for routine monitoring visits.

**ADDITIONAL DETAIL: Vendor Management Appendix
and/or Procedure Manual (Citation): VMB Att. 1 – California WIC Regulatory Bulletin
(W.B.R.) 2013-01 §70000 et seq. (Vendor Authorization Criteria).**

4. Vendor Peer Groups

If the State agency does not have a vendor peer group system, proceed to item 4e.

a. Vendors are assigned to peer groups for selection/authorization:

Yes No

b. Vendors are assigned to peer groups for reimbursement purposes:

Yes No

c. Peer groups are based on the following (check all that apply):

- WIC sales volume
- Gross food sales volume
- Number of cash registers
- Square footage of store
- Type of store
- Location of store
 - Local agency service areas
 - City, county or regional divisions
 - Urban/suburban/rural
 - Zip codes
 - Unique economic location (e.g., rural island, single metro area)
 - Other (specify): _____
- Other (specify): _____

I. VENDOR MANAGEMENT

A. Vendor Selection and Authorization

d. Using the chart on the next page, describe the peer groupings (e.g., supermarkets, medium and small grocery stores, convenience stores, etc.) that the State agency plans to use during the upcoming fiscal year. For State agencies with more than four peer groupings, please attach a chart containing this Peer Group Description and list the Appendix citation here: _____

e. The State agency has received an exemption from the vendor peer group system requirement:

Yes Date of exemption: _____ No

(1) If “yes,” the State agency’s exemption was based on documentation that showed that (*check the applicable box*):

The State agency had no above-50-percent vendors; or

Above-50-percent vendors accounted for less than five percent of the total WIC redemptions.

Other (specify): _____

(2) Based on the latest available data for the current fiscal year (which covers the period from 10/01/13 to 06/30/14), the State agency:

Does not have any above-50-percent vendors;

Paid above-50-percent vendors 35.03 percent of the total annual WIC redemptions to date.

(3) If the State agency does not use a vendor peer group system, describe the State agency’s alternative system for comparing the prices of new vendor applicants and currently authorized vendors and selecting for authorization or reauthorization vendors that offer the program the most competitive prices. _____

I. VENDOR MANAGEMENT

A. Vendor Selection and Authorization

DESCRIPTION OF VENDOR PEER GROUP SYSTEM

Vendor Peer Groups					Comparable Vendors Peer Group Number (6)
Peer Group No. (1)	Description (e.g., supermarkets, chain stores, pharmacies) (2)	Number of Vendors in Peer Group			
		Regular Vendors (3)	Above-50% Vendors (4)	Total (5)	
A	Category A: Above-50-Percent (A-50) Vendors	0	559	559	B,C
B1	Category B, 1-2 Register Stores	263	0		N/A
B2	Category B, 3-5 Register Stores	473	0		N/A
B3	Category B, 6-9 Register Stores	641	0		N/A
B4	Category B, 10+ Register Stores	1802	0		N/A
B	Category B: Full-Line Grocery Vendors (Register Subgroups Inclusive)	3179	0	3179	N/A
C	Category C: Non-A-50, Non Full-Line Grocery Vendors	645	0	645	N/A
	TOTAL	3824	559	4383	

Instructions:

Column 1 – Assign a sequential number to each peer group.

Column 2 – Describe the vendors in the peer group.

Column 3 – Insert the number of authorized vendors that are regular vendors.

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A. Vendor Selection and Authorization

Column 4 – If the State agency authorizes above-50-percent vendors, insert the number of above-50-percent vendors currently authorized.

Column 5 – Insert the total number of authorized vendors. This number should be the sum of columns 3 and 4, since the State agency must identify each vendor as being either a regular vendor or an above-50-percent vendor.

Column 6 – For each peer group that contains above-50-percent vendors, insert the number of the peer group that contains comparable regular vendors. The comparable vendor peer group is the peer group that the State agency uses to derive the competitive price criteria and maximum reimbursement levels that it applies to the above-50-percent vendors. If above-50-percent vendors are placed in a peer group with regular vendors, then the number in column 1 should be the same as that in column 6. If above-50-percent vendors are in separate peer groups, then the number in column 1 will be different from that in column 6.

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A. Vendor Selection and Authorization

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

- f. Describe the process the State agency uses at least every three years to assess the effectiveness of its peer group system and competitive price criteria to enhance system performance (7CFR 246.12(g)(4)(ii)(C)).**

WIC will examine quarterly redemption data for the 10 most frequently redeemed food instruments at the register count subgroup level to determine if these subgroups effectively classify vendors by characteristics impacting food pricing. When register subgroups are effectively grouping vendors based on characteristics impacting food pricing redemption value variance should decrease. When the variance for food instrument redemption values rises for a register count subgroup, WIC staff will examine register count subgroups to determine if an alternate register grouping would more effectively classify Category B vendors.

The State agency makes this assessment—

- Annually
- Biennially
- Every three years
- Other (please specify): _____

Provide date of most recent FNS approval: New peer groups for 2014-2015 FFY took effect on 06/01/14.

5. Semiannual Shelf Price Collection

- a. The State agency has received an exemption from the shelf price collection requirement under 7 CFR §246.12(g)(4)(ii)(B):**

- Yes; date FNS exemption granted: _____ No

6. Vendor Agreements

- a. The following reflect the State agency's vendor agreement practices:**

- All vendors have a written agreement with the State agency
- A standard vendor agreement is used statewide
- Vendor agreements are subject to the State's procurement procedures
- Vendor agreements/handbooks are subject to the State's Administrative Procedures Act
- A nonstandard vendor agreement is used for:
 - Military commissaries

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A. Vendor Selection and Authorization

- Pharmacies that only provide exempt infant formula and/or WIC-eligible medical foods
- All pharmacies
- Home food delivery contractors
- Mobile stores
- Other (specify): _____
- Vendors are authorized for a period of 2 years
- Vendors are authorized/reauthorized under renewable agreements, provided no vendor violations occurred during the previous vendor agreement period
- All vendors are provided at least 15 days advance written notice of the expiration of the vendor agreement
- Other (specify): Vendors are authorized unless they have been disqualified or are in the administrative appeal process for disqualification. Moreover, vendors applying to renew authorization with the California WIC Program are subject to the same requirements as any other vendor. They are not automatically granted authorization because they have a history with the program.

b. In addition to the requirements in 7 CFR 246.12(h)(3)-(h)(6), the vendor agreement includes:

- Periodic submission of vendor price lists. If so, specify frequency: Every six months
- Maintenance of records in addition to the required inventory records. If so, specify types of records: sales and use tax returns; books of account; transfer records, wholesale and retail inventory purchase records, and daily cash register summary of all sales transactions for at least three (3) years.
- Submission of food instruments and CVVs/CVBs within a shorter timeframe than required by program regulations. If so, specify timeframe: _____
- Redemption of a minimum number/volume of food instruments and CVVs/CVBs
- Minimum hours of operation
- Other (specify all): _____

c. The State agency delegates the signing of vendor agreements to its local agencies:

- Yes No

If yes, provide a description of the supervision and instruction provided to local agencies to ensure the uniformity and quality of this activity. _____

Please attach a copy of the Vendor Agreement or provide the appropriate Procedure Manual reference below.

**ADDITIONAL DETAIL: Vendor Management Appendix
and/or Procedure Manual (Citation): VMB Att. 4 – Proposed Vendor Agreement**

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B. Vendor Training

1. Vendor Training - General

a. Annual vendor training covers the following content (check all that apply):

- Purpose of the WIC Program
- Supplemental foods authorized by the State agency
- Minimum varieties and quantities of supplemental foods that must be stocked
- Obtaining infant formula only from sources included in the State agency's list of State licensed infant formula wholesalers, distributors, and retailers, and manufacturers registered with the U.S. Food and Drug Administration
- Procedures for obtaining prior State agency approval to provide incentive items to WIC participants
- Procedures for transacting and redeeming food instruments and cash-value vouchers
- Vendor sanction system
- Vendor complaint process
- Claims procedures
- Changes in program requirements since the last training
- Recordkeeping requirements
- Replacement food instruments and cash-value vouchers
- Participant complaints
- Vendor requests for technical assistance
- Reauthorization
- Reporting changes of ownership, location, or cessation of operations
- Procedures for appeal/administrative review
- Training employees
- WIC/SNAP sanction reciprocity and information sharing
- Other (specify): _____

If any topics are not included in the annual vendor training, explain why.

- Replacement of food instruments and cash value vouchers are handled at the local agency and not at State WIC Program.
- Annual training is directed towards vendors.
- Participants file a complaint at their local WIC agency, WIC website or by eFax. Participant complaints are then forwarded to CA WIC Program Business and Integrity Section I/II and Vendor Authorization Management Section vendor consultants for resolution.
- Reauthorizations, replacement of food instruments/cash value vouchers and participant complaints are not part of the required training content per CFR 246.12(i)(2) regarding annual training.

b. Vendors or vendor representatives receive training on the following occasions and/or through the following materials (check all that apply):

- On-site (in-store) meetings/conferences

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B. Vendor Training

- Off-site meetings/conferences
- During routine monitoring visits (e.g., educational buys)
- When specialized technical assistance is requested
- Written materials (e.g., newsletters)
- Audiotapes or videotapes
- Teleconference or videoconference
- Vendor hotline
- State or local agency website
- Other (specify): _____

c. Vendors or vendor representatives receive *interactive* training as follows (check all applicable responses):

- At or before initial authorization
- At least once every three years
- Annually or more frequently than once every three years

d. The following method(s) are used to evaluate the effectiveness of vendor training (check all that apply):

- Evaluation forms provided with training materials
- Pre-tests and/or post-tests regarding vendor policies, procedures, and practices
- Statistical indicators, such as a reduction in food instrument errors
- Educational buys
- Record reviews
- Informal feedback from vendors and/or participants
- Vendor advisory councils
- None
- Other (specify): _____

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

2. Delegation of Vendor Training

a. The State agency delegates its vendor training to:

- Its local agencies
- A contractor; specify: _____
- A vendor association/representative; specify: _____
- Other (specify): _____
- None (the State agency conducts all vendor training)

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B. Vendor Training

b. Indicate the frequency with which the State agency performed the following activities during the past fiscal year:

<u>Times/FY</u>	<u>Activity</u>
_____	Provided comprehensive training materials to delegated trainers
_____	Provided instruction on vendor training techniques to delegated trainers
_____	Monitored performance of delegated trainers to ensure the uniformity and quality of vendor training
<input checked="" type="checkbox"/>	Not applicable
<input type="checkbox"/>	Other (specify): _____

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

3. Documents for and Documentation of Vendor Training

a. The State agency or the entity to which it delegates vendor training documents the content of and vendor participation in annual vendor training:

Yes No

b. Vendors or vendor representatives are required to sign an acknowledgement of training when they have received the following types of training (check all that apply):

Interactive training Annual training
 Educational buys Monitoring visits
 Remedial training Other (specify): _____

c. The State agency produces a Vendor Handbook:

Yes No

If yes, provide in Vendor Management Appendix or Citation Procedure Manual Reference.

d. The State agency provides online or web based training:

Yes No

If yes, provide the link to the training: _____

ADDITIONAL DETAIL: Vendor Management Appendix

I. VENDOR MANAGEMENT

B. Vendor Training

and/or Procedure Manual (Citation):

I. VENDOR MANAGEMENT

C. High-Risk Identification Systems

1. Vendor Complaints

a. The State Agency has a formal system for receiving complaints about vendors:

- No; please explain: _____
- Yes, complaints are received through the following:
 - A toll-free number handled by State agency staff
 - A standard complaint form which the complainant sends to:
 - State agency
 - Local agency or clinic
 - Other (specify): Email submitted via WIC Abuse mailbox
Complaints submitted to WIC by Local Vendor Liaisons

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

2. Identifying High-Risk Vendors

a. What criteria does the State agency use to identify high-risk vendors:

- Low-variance*
- High-mean value*
- New vendor
- Complaints against vendors
- Other (specify all): History of abuse, high redemptions, and large change in redemption behavior.

(* = mandatory)

b. Which high-risk indicators has the State agency found to be most effective?

- Low-variance
- High-mean value
- New vendor
- Complaints against vendors
- Other (specify): History of abuse, high redemptions, and large change in redemption behavior.

c. Identify the frequency for generating high-risk vendor reports:

- Monthly
- Quarterly
- Semiannually
- Annually
- No set schedule
- Other (specify): Complaint information is added weekly.

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C. High-Risk Identification Systems

d. Identify the type(s) of food instruments and CVVs/CVBs used in the high-risk vendor analysis . (Check all that apply):

- A full monthly food package for a:
 - Woman Infant Child
 - Other (specify): _____
- Standard food instrument type with multiple food items (e.g., milk, cheese, and cereal)
- Standard food instrument type with a single food item
- Constructed food instrument (State agencies with nonstandard food instruments)
- CVVs/CVBs
- Other (specify): _____

e. To perform the high-risk vendor analysis, the State agency’s system aggregates a vendor's redemptions over the following time period:

- 1 month 2 months 3 months 4 months 5 months 6 months
- Other (specify): _____

f. Vendor redemption patterns are generally compared to:

- Applicable peer group patterns
- All vendors’ patterns Statewide
- Other (specify): _____

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual ():

I. VENDOR MANAGEMENT

D. Routine Monitoring

1. Routine Monitoring Visits

a. Routine monitoring visits are conducted by:

- State agency staff
- Local agency staff
- Other (specify): _____

b. Identify the activities performed during a routine monitoring visit:

- Check the vendor's inventory of supplemental foods and/or inventory records to determine if the vendor meets the State agency's requirements for the minimum variety and quantity of supplemental foods
- Check the vendor's inventory of non-supplemental foods and/or inventory records to provide information on whether the vendor is an above-50%-percent vendor
- Determine whether the vendor accepts forms of payment other than WIC food instruments and CVVs/CVBs, such as cash, personal checks, and credit cards, to provide information on whether the vendor is an above-50%-vendor
- Check the vendor's receipts of infant formula to ensure that the infant formula is obtained only from the State agency's list of infant formula manufacturers registered with the Food and Drug Administration, and infant formula wholesalers, distributors, and retailers licensed under State law
- If the vendor is an above-50%-percent vendor, check its stock of incentive items to ensure that such items have been approved by the State agency
- Obtain the vendor's shelf prices and/or validate the vendor's price list
- Review food instruments and CVVs/CVBs in the vendor's possession for vendor violations
- Compare food instruments in the vendor's possession with shelf prices to test for vendor overcharges
- Observe food instrument and CVV/CVB transactions
- Conduct an educational buy
- Interview manager and/or employees
- Review employee training procedures
- Conduct annual vendor training or provide vendor with annual training materials
- Examine the sanitary conditions of the store
- Other (specify all):
 - Verify that vendor's shelf prices are posted on all supplemental foods
 - Verify store address
 - Obtain store hours
 - Check exterior and interior for logo and/or acronym violations
 - Review health permit
 - Document number of registers
 - Conduct in-person spot checks to verify reported shelf prices for 5% of authorized vendors annually

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D. Routine Monitoring

c. **Generally, routine monitoring visits are conducted on each vendor (check all that apply):**

- Annually Twice a year As needed
 Other (specify): ongoing basis statewide, monthly.

d. **The following procedures are used in determining whether a vendor is selected for a routine monitoring visit (check all that apply):**

- Random selection Periodic/scheduled review
 Periodic/scheduled training Complaints
 Other (specify): High redemption per register count, zero redemption

e. **What percent of vendors received monitoring visits during the past fiscal year?**

- Less than 5 percent; explain reason: _____
 5 percent
 More than 5 percent (specify): _____

**ADDITIONAL DETAIL: Vendor Management Appendix
and/or Procedure Manual (Citation):**

I. VENDOR MANAGEMENT

E. Compliance Investigations

1. Investigative Practices

a. The State agency conducts:

- Compliance buys (a covert, on-site investigation in which a representative of the Program poses as a participant, parent or caretaker of an infant or child participant, or proxy; transacts one or more food instruments or CVVs/CVBs; and does not reveal during the visit that he or she is a Program representative.)
- Inventory audits (the examination of food invoices or other proofs of purchase to determine whether a vendor has purchased sufficient quantities of supplemental foods to provide participants the quantities specified on food instruments redeemed by the vendor during a given period of time.)
- Other (specify): _____

b. The following procedures are used to determine which vendors are selected for a compliance investigation (check all that apply):

- Vendor is identified by the high-risk vendor identification criteria
- Random selection
- Geographical considerations
- Volume of WIC redemptions
- Participant complaints
- Other (specify): _____

c. The State agency uses standard procedures for conducting and documenting compliance buys and inventory audits:

- Yes. If yes, please provide the guidelines in the Vendor Management Appendix or Citation the Procedure Manual reference: Refer to VMB Att. 5A and 5B, 22CCR Sections, 40740 and 40741.
- No; specify: _____

d. The results of compliance investigations are used to assess the effectiveness of the State agency's high-risk vendor identification criteria:

- Yes No

If yes, check the items below that describe how the results of compliance investigations are used to assess the effectiveness of high-risk vendor identification criteria:

- The State agency compares data on the prevalence of vendor violations detected among high-risk versus non-high-risk vendors.

I. VENDOR MANAGEMENT

E. Compliance Investigations

- The State agency discards a high-risk vendor identification criterion if compliance investigations of high-risk vendors identified by the criterion result in no vendor violations after _____ months.
- Investigative procedures and training are reevaluated if compliance investigations of high-risk vendors result in the detection of no vendor violations.
- Other (specify): _____

e. **How many vendors were authorized as of October 1 of the past fiscal year?**
4,719

How many compliance investigations of vendors were completed during the past fiscal year?

270 completed compliance investigations
+ 115 completed investigative audits
= 385 TOTAL

****Total compliance investigations encompasses all compliance buys and audits**

How many vendors that received compliance investigations were high-risk during the past fiscal year?

228 Completed Compliance Investigations
+74 Completed Investigative Audits
= 302 TOTAL

Did the State agency give priority to high-risk vendors (up to the five percent minimum) in conducting compliance investigations during the past fiscal year?

Yes No ; explain reason: _____

How many of all vendors were high-risk during the past fiscal year?

1,393

(The State agency is required by § 246.12(j)(4)(i) to conduct compliance investigations of at least 5 percent of its vendors authorized as of October 1 of each fiscal year, including all high risk vendors up to the 5 percent maximum.)

ADDITIONAL DETAIL: Vendor Management Appendix Refer to Att. 9 – Additional Information Regarding Compliance Investigation Data and/or Procedure Manual (Citation):

2. Compliance Buys

a. **The State agency conducts the following types of compliance buys:**

- Trafficking buys (exchanging food instruments or cash-value vouchers for cash)

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- Safe buys (transacting food instruments or CVVs/CVBs for all food items listed to see if the vendor will overcharge)
- Short buys (transacting food instruments or CVVs/CVBs for fewer food items than those listed to see if the vendor will charge for food items not received)
- Major substitution buys (exchanging food instruments or CVVs/CVBs for non-food items or unauthorized food items that are not similar to those listed)
- Minor substitution buys (exchanging food instruments or CVVs/CVBs for unauthorized food items that are similar to those listed)
- Other (specify): Complaints received from WIC Local Agencies, Vendors, Participants, etc.

b. Compliance buys are usually conducted by:

- WIC State agency staff
- WIC local agency staff
- State investigators
- Investigators retained on a contract basis (e.g., Pinkerton, Wells Fargo)
- Interns, neighborhood residents, or program participants employed by WIC
- Another WIC State agency
- Other (specify): _____

c. Who is responsible for ensuring the proper execution of and follow-up on compliance buys?

- WIC State agency vendor manager
- WIC local agency manager
- State investigators
- Contractor
- Another WIC State agency
- Other (specify): California WIC State Agency Compliance and Program Integrity manager.

d. If no vendor violations are detected, how many compliance buys does the State agency conduct before closing a compliance investigation?

- Two
- Other (specify): _____

e. If the State agency conducts a standard number of compliance buys per compliance investigation, what is the basis for the prescribed number of buys?

- State law or regulation
- State agency policy or procedure
- Level of evidence necessary to impose vendor sanctions
- Legal counsel's advice

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E. Compliance Investigations

Other (specify): _____

f. The vendor is provided written notification of a violation requiring a pattern of violations in order to sanction the vendor, prior to documenting another violation of the same kind, unless the State agency determines that such notice would compromise the investigation and documents this in the vendor’s file:

Yes No

Please provide the guidelines for, or a sample of, the documentation maintained by the State agency to support its case-by-case determination that written notice would compromise an investigation in the Vendor Management Appendix or Citation the Procedure Manual reference: This is not applicable. California WIC always gives vendors 30 days written notice for violations identified that require correction. This guideline is specified in California Health and Safety Code §123327. HSC §123327 specifies as follows: (a) The department shall provide written notice to a retail food vendor if the department determines that the vendor has committed an initial violation for which a pattern of the violation must be established to impose a sanction. Notice shall be provided no later than 30 days after the department determines the first investigation that identified the violation is complete. (b) The written notice shall be delivered to the vendor 30 days before the department conducts a second investigation for purposes of establishing a pattern of the violation to the vendor's most recent business ownership address on file with the department or to the vendor location upon identification of a violation during vendor monitoring, as defined by Section 40743 of Title 22 of the California Code of Regulations. c) The written notice shall include a description of the initial violation and may include information to assist the vendor to take corrective action, including, but not limited to, a 60-day window that includes the date of the violation.(d) For purposes of this section, "violation" means a violation set forth in Section 246.2 of Title 7 of the Code of Federal Regulations. (e) It is the intent of the Legislature in enacting this section to clarify existing law.

g. More than one compliance buy visit is needed to detect a pattern of violations:

Yes; specify how many: 2+ No

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

3. Estimate the cost for conducting compliance buys, excluding expenses related to the vendor appeals/administrative review process:

\$390 Cost per compliance buy
 Unknown
 Not applicable

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual ():

I. VENDOR MANAGEMENT

E. Compliance Investigations

4. Inventory Audits (If inventory audits are not performed, go to Question 5)

a. The following factors are used to determine which vendors selected for compliance investigations will receive inventory audits rather than/or in addition to compliance buys:

- Vendor has highest risk based on State agency's high-risk identification criteria
- Suspicion of vendor exchanging cash for food instruments or CVVs/CVBs (trafficking)
- Inconclusive compliance buy results
- Complaints
- Other (specify): Law enforcement referral

b. The State agency conducts the following types of inventory audits:

- On-site inventory audits
- State agency inventory audits (vendor sends records to State agency)
- Local agency inventory audits (vendor sends records to local agency)
- Other (specify): Inventory audits, contracted to the State Controller's Office

c. Inventory audits are conducted by (check all that apply):

- WIC State agency staff
- WIC local agency staff
- State investigators
- Investigators retained on a contract basis (e.g., Pinkerton's, Wells Fargo)
- Other (specify): Inventory audits, contracted to the State Controller's Office

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation): Refer to VMB Att.5. A&B, 22CCR Sections 40740 and 40741.

5. Compliance Buy/Inventory Audit Tracking System(s)

a. The State agency has a means of recording and tracking staff person hours devoted to investigation activities:

- Yes; please describe: _____
- No

b. The State agency has an automated system for tracking investigations that monitors the progress and status of each compliance investigation:

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E. Compliance Investigations

Yes; please describe: SharePoint tracks information related to complaints, compliance investigations, and vendor violations.

No

**ADDITIONAL DETAIL: Vendor Management Appendix
and/or Procedure Manual (Citation):**

I. VENDOR MANAGEMENT

F. Vendor Sanction System

Please attach and/or reference the location of the State agency's vendor sanction schedule.

**ADDITIONAL DETAIL: Vendor Management Appendix
and/or Procedure Manual ():**Refer to VMB Att. 5A and VMB Att. 5B; 22CCR, Sections
40740, 40741 (Vendor Sanctions)

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G. Administrative Review of State Agency Actions

1. Types of Administrative Reviews

The State agency conducts the following types of administrative reviews of vendor appeals for the adverse actions listed below. (Check all that apply):

Informal Desk Reviews	Abbreviated Admin. Reviews	Full Admin. Reviews	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Denial due to competitive price or minimum stocking selection criterion
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Denial due to business integrity or current SNAP DQ or CMP
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Denial based on limiting criteria
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Denial due to State agency selection criteria
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Denial due to application outside timeframe
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Application of above-50-percent criteria
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DQ for WIC violations
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DQ for SNAP CMP
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Other WIC sanctions, e.g., fine or CMP
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Denial based on circumvention of sanction
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Application of peer group criteria
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Termination due to ownership change
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Termination due to location change
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Termination due to ceasing operations
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Termination for other causes
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DQ for trafficking/illegal sales conviction
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DQ/CMP due to another State agency's mandatory sanction
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CMP based on SNAP DQ
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Denial based on no SNAP authorization

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

2. Administrative Review Procedures

a. The State has a law or regulation governing WIC administrative reviews:

Yes; please indicate: No

Refer to VMB Atts. 5A-5F: 22CCR Sections 40740, 40741, 40703, 40705, 40781, 40783; and Att. 5G: CA H&S Code Section 123355

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G. Administrative Review of State Agency Actions

If the State does have such a law or regulation, this includes:

- State Administrative Procedures Act
- State law pertaining to WIC only
- State health department law
- State health department regulation
- State WIC regulation
- Other (specify): _____

b. At which level do administrative reviews of WIC vendor appeals take place:

- WIC local agency
- WIC State agency
- State health department
- Other (specify): _____

c. Administrative reviews are conducted by:

- Hearing officers
- Administrative law judges
- Other (specify): _____

d. The following procedures are followed for administrative reviews:

Abbreviated Admin. Review	Full Admin. Review
--	-----------------------------------

- | | | |
|--------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Opportunity for vendor to examine evidence prior to review |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Opportunity for vendor to reschedule review date |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Opportunity for vendor to present its case |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Opportunity for vendor to be represented by counsel |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Opportunity for vendor to present witnesses |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Opportunity for vendor to cross-examine witnesses |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Presence of a court reporter or stenographer |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | An impartial decision-maker, whose decision is based solely on whether the State agency correctly applied Federal and State statutes, regulations, policies, procedures |
| <input type="checkbox"/> | <input type="checkbox"/> | A written decision within 90 days from request for review |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Other (specify): <u>The procedures in this section shall also apply to all vendor and local agency audit hearings.</u> |

e. Check the party(ies) below who may present the State agency case during a full administrative review:

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G. Administrative Review of State Agency Actions

- WIC staff person assigned to case
- WIC State agency Vendor Manager
- WIC State Agency Director
- Legal counsel (State Attorney General or General Counsel's office)
- Legal counsel (paid by WIC Program funds)
- Other (specify all): Any of the above may represent the program's case, however all cases are presented by the assigned WIC staff and/or Department's legal counsel (paid by WIC Program funds).

Please attach and/or reference the location of the State agency's administrative review procedures.

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation): VMB Atts. 5A-5F: 22CCR Sections 40740, 40741, 40703, 40705, 40781, 40783; and Att. 5G: CA H&S Code Section 123355

I. VENDOR MANAGEMENT

H. Coordination with SNAP

1. WIC/SNAP Information Sharing

- a. An information sharing agreement between the WIC State agency and SNAP is in effect, per FNS Instruction 906-1 or other FNS guidance, and is maintained at the State agency:**

Yes No

If yes, an updated list of authorized vendors is sent to the appropriate FNS office:

- Once a year
 Regularly, at intervals of less than one year (specify): _____
 Periodically, as changes occur
 Upon request
 Other (specify): _____

- b. State agency compliance investigators coordinate their activities with their SNAP counterparts:**

Yes No

- c. State statute, regulations, or procedures restrict the disclosure WIC vendor and SNAP retailer information to those permitted under 7 CFR 246.26(e) and (f):**

Yes (specify): Refer to VMB Att. 6 – WIC Regulatory Bulletin 2012-01, Adoption of Federal Mandatory Requirements
 No

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

I. VENDOR MANAGEMENT

I. Staff Training

1. Check below the routine formal training available to State and local level staff in vendor management practices:

State	Local	Other (contractor)	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Vendor selection and authorization
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Vendor training
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Routine monitoring
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Compliance investigations
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Inventory audits
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Corrective actions and sanctions
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Criminal investigations
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Vendor appeals/administrative reviews
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Federal and/or State WIC regulations
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Prevention of vendor fraud and abuse
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	WIC/SNAP information sharing
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	High-risk vendor identification
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Vendor management information system

Not applicable

Other (specify): Local Vendor Liaisons provide quarterly technical assistance and support to vendors.

2. State agency staff meets with vendor representatives as part of a vendor advisory council:

- Monthly
- Quarterly
- Other frequency: As needed and bimonthly calls with vendor associations.
- No vendor advisory council

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation):

I. VENDOR MANAGEMENT

J. Farmer/Farmers' Market Authorization

STATE AGENCY DOES NOT AUTHORIZE FARMERS/FARMERS' MARKETS TO ACCEPT CVVs/CVBs; SECTIONS J - N DO NOT APPLY

1. The State agency authorizes farmers/farmers' markets to accept CVVs based on:

- Authorization by the WIC Farmers' Market Nutrition Program (FMNP)
- Selection criteria established separately from FMNP

2. If the State agency does not authorize farmers/farmers' markets based on FMNP authorization, the selection criteria include (describe):

3. The State agency considers applications:

- On an on-going basis
- Annually
- Every two years
- Every three years
- Other (specify): _____

**ADDITIONAL DETAIL: Vendor Management Appendix
and/or Procedure Manual (Citation): and/or FMNP State Plan (Citation):**

I. VENDOR MANAGEMENT

K. Farmer/ Farmers' Market Agreements

1. Agreement periods are for:

- One year
- Two years
- Three years
- Other (specify): _____

2. Agreements are:

- A modified version of the vendor agreement
- Combined with the FMNP agreement
- Unique to the authorization of farmers to transact CVVs/CVBs

3. The following reflect the State agency's farmer/farmers' market agreement practices:

- All farmers/farmers' markets have a written agreement with the State agency
- A standard farmer/farmers' market agreement is used statewide
- Agreements are subject to the State's procurement procedures
- Agreements/handbooks are subject to the State's Administrative Procedures Act
- Farmers/farmers' markets are authorized/reauthorized under renewable agreements, provided no farmer/farmers' market violations occurred during the previous agreement period
- All farmers/farmers' markets are provided at least 15 days advance written notice of the expiration of the agreement
- All farmers/farmers' markets are provided a schedule of sanctions, either in or attached to the farmer/farmers' market agreement, or as a citation to State regulations
- Other (specify): _____

4. Agreement provisions include:

- Assure that the CVV/CVB is redeemed only for eligible fruits and vegetables as defined by the State agency
- Provide eligible fruits and vegetables at the current price or less than the current price charged to other customers
- Accept the CVVs/CVBs within the dates of their validity and submit CVVs for payment within the allowable time period established by the State agency

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K. Farmer/Farmers' Market Agreements

- Redeem the CVV/CVB in accordance with a procedure established by the State agency
- Accept training on CVV/CVB procedures and provide training to any employees with CVV/CVB responsibilities on such procedures
- Agree to be monitored for compliance with program requirements, including both overt and covert monitoring
- Be accountable for actions of employees in the provision of authorized foods and related activities
- Pay the State agency for any CVV/CVB transacted in violation of this agreement
- Offer WIC participants, parent or caretakers of child participants or proxies the same courtesies as other customers
- Neither the State agency nor the farmer has an obligation to renew the agreement.
- Other (specify): _____

5. The farmer/farmers markets agreement reflects that the farmer/farmers' market must not:

- Collect sales tax on CVV/CVB purchases
- Seek restitution from WIC participants, parent or caretakers of child participants or proxies for CVVs/CVBs not paid or partially paid by the State agency
- Issue cash change for purchases that are in an amount less than the value of the CVV/CVB
- Other (specify): _____

Please attach a copy of the Farmer/Farmers' Market Agreement or provide the appropriate Procedure Manual reference below.

**ADDITIONAL DETAIL: Vendor Management Appendix
and/or Procedure Manual (Citation): and/or FMNP State Plan (Citation):**

I. VENDOR MANAGEMENT

L. Farmer/Farmers' Market Training

1. Farmer/farmers' market training includes:

- Eligible fruits and vegetables
- Procedures for transacting and redeeming CVVs/CVBs
- Agreement provisions
- Sanctions and Appeals
- Other (specify): _____

2. Interactive farmer/farmers' market training (e.g., face-to-face, video conference, web cam) is conducted:

- At or before initial authorization
- At least every three years following initial authorization
- Other (specify): When a violation occurs.

3. Non-interactive farmer/farmers' market training (e.g., via hard copy mail, email, online) is conducted:

- Annually following authorization
- Changes in procedures
- Other (specify): _____

4. The State agency delegates training to:

- Local agency (specify): _____
- Contractor (specify): _____
- Farmer representative (specify): _____
- Other (specify): The state agency does not delegate training.

5. If the State agency delegates training, briefly describe the State agency's supervision of such training: N/A

6. The State agency produces a Farmer/farmers markets Training Handbook:

- Yes No

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L. Farmer/Farmers' Market Training

If yes, provide in Vendor Management Appendix or Citation Procedure Manual Reference.

7. The State agency provides online or web based training:

Yes No

If yes, provide the link to the training: www.wicfarmers.ca.gov

**ADDITIONAL DETAIL: Vendor Management Appendix
and/or Procedure Manual (Citation): and/or FMNP State Plan (Citation):**

1. Farmers/farmers' markets are included in the:

- FMNP sample of farmers/farmers markets for monitoring
- WIC sample of vendors for monitoring

2. Monitoring includes:

- covert methods, such as compliance buys
- overt methods, such as routine monitoring

**ADDITIONAL DETAIL: Vendor Management Appendix
and/or Procedure Manual (Citation): and/or FMNP State Plan (Citation):**

I. VENDOR MANAGEMENT

N. Farmer/Farmers' Market Sanctions, Claims, and Appeals

1. Farmer/farmers' market violations may result in:

- Disqualification
- Denial of payment or demand for refund due to improperly redeemed CVVs/CVBs (Claims)
- Prosecution under Federal, State, or local law regarding fraud or other illegal activity
- Monetary sanctions such as civil money penalties and fines

2. Farmers/farmers' markets may administratively appeal:

- Disqualification
- Denial of application
- Other sanction (specify): _____

3. Farmers/farmers' markets may not administratively appeal:

- Expiration of an agreement
- Claims
- Other (specify): _____

Please attach and/or reference the location of the State agency's administrative review procedures. _____ Farmers Admin Review – Appendix 1.16

ADDITIONAL DETAIL: Vendor Management Appendix and/or Procedure Manual (Citation): _____ **and/or FMNP State Plan (Citation):** _____