



April 10, 2014

**United States  
Department of  
Agriculture**

Food and  
Nutrition  
Service

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Alexandria, VA  
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**SUBJECT:** WIC Final Policy Memorandum #2014-7  
Criteria for Waiving the WIC Vendor Preauthorization Visit

**TO:** Regional Directors  
Special Nutrition Programs  
All Regions

WIC State Agency Directors  
All States

This policy memorandum implements the vendor preauthorization provision of P.L. 113-76, the Consolidated Appropriations Act, 2014, which was enacted January 17, 2014. The legislative provision reads as follows:

“Provided further, That upon termination of a federally-mandated vendor moratorium and subject to terms and conditions established by the Secretary, the Secretary may waive the requirement at 7 CFR 246.12(g)(6) at the request of a State agency.”

### Background

Section 246.12(g)(6) of the WIC regulations requires that a WIC State agency conduct an on-site visit prior to or at the time of a vendor’s initial authorization. This visit is part of the application review process that helps assure both the Food and Nutrition Service (FNS) and the State agency that the vendor meets the basic Program requirements, including the minimum stocking requirements for WIC food items. Logistics related to the on-site preauthorization visit are a significant factor in the 60-90 day window that represents the normal timeframe for most WIC State agencies to process vendor applications.

The Department of Agriculture has imposed vendor moratoriums in some State agencies where questionable vendor practices have been identified. Therefore, these State agencies experience a backlog of vendor applications when the moratorium is lifted, which may jeopardize their ability to meet their own application processing timeframes.

The legislative provision affords some relief to WIC State agencies facing a backlog of vendor applications to be processed after a Federally-imposed moratorium is lifted. “*Subject to terms and conditions established by the Secretary,*” an affected State agency may request a waiver to the on-site visit requirements.

Procedure for Waiving the On-Site Preauthorization Visit

The request for waiving the on-site preauthorization visit must be submitted to the FNS Regional Office. The duration of the waiver request shall only cover the period October 1, 2013, through September 30, 2014, consistent with the authority period of P.L. 113-76. The following assurances must be included in the waiver request:

- An acknowledgment by the State agency that the waiver of the preauthorization visit does not exempt any store from Federal monitoring requirements. Stores that are exempted from the preauthorization visit will be included in the pool of vendors used to determine which vendors will receive a monitoring visit or compliance investigation within the State agency's review cycle, to ensure Program compliance; and
- An acknowledgement that any store exempted from the preauthorization visit by the waiver must receive a visit by a local vendor liaison or other State/local vendor representative within 6 months of WIC authorization.

Criteria for Waiving the On-Site Preauthorization Visit:

- 1) The applicant must be identified as one of the following:
  - *Supermarket*: Establishments commonly known as supermarkets, food stores, grocery stores and food warehouses primarily engaged in the retail sale of an extensive variety of grocery and other store merchandise. This store typically has 10 or more checkout lanes with registers, bar code scanners and conveyor belts.
  - *Super Store/Large Chain Store*: Very large supermarkets, "big box" stores, super stores and food warehouses primarily engaged in the retail sale of a wide variety of grocery and other store merchandise. Includes stores that are large food/drug combination stores and mass merchandisers under a single roof.
  - *Government-owned facilities or military commissaries*: Designation applies to all retail food entities, located on military installations that sell food and non-food products. Only authorized shoppers may shop at these entities and they must show proper military identification to use the commissary or Base Exchange;
- 2) The vendor and its parent company must be in good standing with the State agency (i.e., no sanctions, disqualifications, or terminations) at other locations throughout the State; and
- 3) A current master or corporate vendor agreement must already be in place for the vendor's parent company.

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Questions concerning the submittal and/or approval of a vendor preauthorization visit waiver should be directed to the appropriate FNS Regional Office.

A handwritten signature in black ink that reads "Debra R. Whitford". The signature is written in a cursive style with a large initial 'D' and a prominent flourish at the end.

DEBRA R. WHITFORD  
Director  
Supplemental Food Programs Division