

## Definitions in Food Delivery

- I. "Above 50% Vendors" means vendors that derive more than fifty percent (50%) of their annual food sales revenue (including infant formula) from WIC food instruments. The State of Utah does not authorize Above 50% Vendors.
- II. "Authorized Supplemental Foods" means those supplemental foods authorized by the State Agency for issuance to a particular participant.
- III. "Business integrity" means the absence of activities such as fraud, anti-trust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims and obstruction of justice. The state agency may add other types of convictions or civil judgements to this list.
- IV. "Cash-value Benefit (CVB)" means a fixed dollar amount loaded to an electronic benefit transfer card for a participant to obtain authorized fruits and vegetables.
- V. "Claims Collection" means the process of obtaining the amount due to the State Agency from a vendor for overcharging or other error. Claims collection may include offsets against current and subsequent amounts owed to the vendor. Claims collection may include the collection of civil money penalties.
- VI. "CMP" means civil money penalties.
- VII. "Commissary" means a vendor located on a U.S. military facility.
- VIII. "Compliance buy" means 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 cash-value vouchers, and does not reveal during the visit that he or she is a program representative.
- IX. "Days" mean calendar days.
- X. "Drug" means: (a) A beverage containing alcohol; (b) A controlled substance (having the meaning given in section 102(6) of the Controlled Substance Act (21 U.S.C. 802(6)); or (c) A controlled substance analogue (having the meaning given it in section 102(32) of the Controlled Substance Act (21 U.S.C. 802(32))).
- XI. "EBT" means electronic benefit transfer, a method that permits electronic access to WIC food benefits using a card. The electronic transfer of government benefits to individuals through the use of card technology and point-of-sale terminals.

- XII. "EBT capable" means the WIC vendor demonstrates their cash register system or payment device can accurately and securely obtain WIC food balances associated with an EBT card, maintain the necessary files such as the authorized product list, hot card file and claim file and successfully complete WIC EBT purchases.
- XIII. "EBT minimum lane coverage" means Point-of-sale terminals used to support the WIC Program shall be deployed in accordance with the minimum lane coverage provisions of §246.12(z)(2). The State Agency may remove excess terminals if actual redemption activity warrants a reduction consistent with the redemption levels outlines in §246.12(z)(2)(i) and (z)(2)(ii).
- XIV. "EBT redemption period" means the date by which the vendor must submit a claim for payment.
- XV. "ECR" means electronic cash register system.
- XVI. "Electronic signature" means an electronic sound, symbol, or process, attached to or associated with an application or other record and executed and or adopted by a person with the intent to sign the record.
- XVII. "FNS" means the Food and Nutrition Service of the U.S. Department of Agriculture.
- XVIII. "Food Delivery System" means the State and local agency system for providing supplemental foods to WIC participants.
- XIX. "FI" means Food Instrument, which is an electronic benefits transfer card (EBT) which is used by a participant to obtain supplemental foods.
- XX. "Food sales" means sales of all SNAP eligible foods intended for home preparation and consumption, including meat, fish, and poultry; bread and cereal products; dairy products; fruits and vegetables. Food items such as condiments and spices, coffee, tea, cocoa and carbonated and noncarbonated drinks may be included in food sales when offered for sale along with foods in the categories identified above. Food sales do not include sales of any items that cannot be purchased with SNAP benefits, such as hot foods or food that will be eaten in the store.
- XXI. "High-risk vendor" means a vendor identified as having a high probability of committing a vendor violation through application of the criteria established and any additional criteria established by the State Agency.

- XXII. "Identical authorized food item" means the exact brand and size as the original authorized supplemental food item.
- XXIII. "Inadequate Participant Access" means there is no WIC-authorized vendor within twenty (20) miles or would be no such vendor if a specific vendor's agreement was terminated or suspended.
- XXIV. "Inventory audit" means an examination of food invoices or other evidence of purchases to determine whether a vendor has purchased sufficient quantities of WIC food items to provide participants the quantities specified on WIC food instruments redeemed by the vendor during a given period of time.
- XXV. "Investigation" means any method used by the State Agency to determine if violations are occurring.
- XXVI. "Local WIC agency" means a WIC program operated by a county or local health department, as delegated by the State Agency.
- XXVII. "Minimum Selection Criteria" means the criteria established by the State Agency to select individual vendors for authorization.
- XXVIII. "Multi-function equipment" means Point-of-Sale equipment obtained by a WIC vendor through commercial suppliers, which is capable of supporting WIC EBT and other payment tender types.
- XXIX. "Participant violation" means any deliberate action of a participant, parent or caretaker of an infant or child participant, or proxy that violates Federal or State statutes, regulations, policies, or procedures governing the Program. Participant violations include, but are not limited to, deliberately making false or misleading statements or deliberately misrepresenting, concealing, or withholding facts, to obtain benefits; selling or offering to sell WIC benefits, including EBT cards, or supplemental foods in person, in print, or online; exchanging or attempting to exchange WIC benefits, including EBT cards, or supplemental foods for cash, credit, services, non-food items, or unauthorized food items; threatening to harm or physically harming clinic, farmer or vendor staff; and dual participation.
- XXX. "Pattern" means repeated incidences of the same violation.
- XXXI. "PIN" means personal identification number where the vendor ensures the participant, parent or caretaker of an infant or child participant, or proxy signs for the transaction. In EBT a personal Identification Number (PIN) is used in lieu of a signature.
- XXXII. "PLU" means product look-up code.

- XXXIII. "Price Adjustment" means an adjustment made by the State Agency, in accordance with the vendor agreement, to the purchase price on a food instrument after it has been submitted by a vendor for redemption to ensure that the payment to the vendor for the food instrument complies with the State Agency's price limitations.
- XXXIV. "Retail food delivery systems" are systems in which participants, parents or caretakers of infant and child participants, and proxies obtain authorized supplemental foods by submitting a food instrument to an authorized vendor.
- XXXV. "Routine Monitoring" means overt, on-site monitoring during which program representatives identify themselves to vendor personnel.
- XXXVI. "Sanction" is the addition to claims collection; the vendor may be sanctioned for vendor violations in accordance with the State Agency's sanction schedule. Sanctions may include administrative fines, disqualification and civil money penalties in lieu of disqualification.
- XXXVII. "Single Function Equipment" means Point-of-Sale equipment, such as barcode scanners, card readers, PIN pads and printers, provided to an authorized WIC vendor solely for the use with the WIC Program.
- XXXVIII. "SNAP-eligible foods" are foods are intended for home preparation and consumption, including: meat, fish and poultry; bread and cereal products; dairy products; and fruits and vegetables.
- XXXIX. "Split tender transactions" allow the participant, authorized representative or proxy to pay the difference when a fruit and vegetable purchase exceeds the value of the cash-value benefit.
- XL. "STARS" means a federal SNAP database.
- XLI. "State Agency" means the Utah Department of Health, Division of Family Health and Preparedness, Bureau of Maternal and Child Health.
- XLII. "Statewide EBT" means the period after completion of statewide EBT implementation is complete. The State Agency will not pay ongoing maintenance, processing fees or operational costs for any vendor utilizing multi-function systems and equipment, and the state will not authorize a vendor that cannot successfully demonstrate EBT capability in accordance with State Agency requirements, unless the State Agency determines that the vendor is necessary for participant access.
- XLIII. **Store brand/Private label** - a brand owned or controlled by a retailer or wholesaler that sells goods under its brand or label that are provided by a contract manufacturer. (A store brand must be purchased when indicated in

the Utah Authorized WIC Foods Booklet. Examples of store brands/private labels include but are not limited to: Food Club, Kroger, Great Value, WinCo, Signature Kitchens, Signature Farms, Lucerne, Freedom's Choice, and Harmons. Stores are required to carry store brand/private label products for the following food items: milk\*, cheese, eggs, beans, and canned tuna. When certain brands are specified in the Authorized WIC Foods booklet, only those brands listed may be purchased. [\*Because store brand milk is not always available in quart size, specific authorized brands of quart size milk will be specified.] )

- XLIV. "SNAP" means the Supplemental Nutrition Assistance Program, formerly known as the Food Stamp Program, authorized by the Food and Nutrition Act of 2008, in which eligible households receive benefits that can be used to purchase food items from authorized retail stores and farmer's markets.
- XLV. "Trafficking" means buying or selling WIC food instruments for cash.
- XLVI. "Uniform Food Delivery Systems" means that the State Agency may operate up to four types of food delivery systems under its jurisdiction – retail, home delivery, direct distribution, or EBT. When used, food instruments must be uniform within each type of system.
- XLVII. "USDA" means the United States Department of Agriculture.
- XLVIII. "Utah WIC" means the Department's Women, Infants and Children Program.
- XLIX. "Vendor" means a sole proprietorship, partnership, cooperative association, corporation, or other business entity operating one or more stores authorized by the State Agency to provide authorized supplemental foods to participants under a retail food delivery system. Each store operated by a business entity constitutes a separate vendor and must be authorized separately from other stores operated by the business entity. Each store must have a single, fixed location.
- L. "Vendor authorization" means the process by which the State Agency assesses, selects, and enters into agreements with stores that apply or subsequently reapply to be authorized.
- LI. "Vendor limiting criteria" means criteria established by the State Agency to determine the maximum number and distribution of vendors it authorizes.
- LII. "Vendor overcharge" is a purchase price on a food instrument submitted by the vendor for redemption not in compliance with the price limitations applicable to the vendor. The State Agency will apply limits on the amount of

reimbursement allowed for food instruments based on a vendor's peer group and competitive price criteria.

- LIII. "Vendor peer group" means a group of authorized vendors based on common characteristics or criteria that affect food prices, which is used to apply appropriate competitive price criteria to vendors at authorization and limit payments for food to competitive levels.
- LIV. "Vendor Selection Criteria" means the criteria the Utah WIC Program established to select individual vendors for authorization consistent with requirements in 7CFR 246.12(g)(3).
- LV. "Vendor Violation" means any intentional or unintentional action of a vendor's current owners, officers, managers, agents, or employees (with or without the knowledge of management) not permitted by this agreement, other Program agreements, or Federal or State statutes, regulations, policies, or procedures governing the Program.
- LVI. "WIC" means the USDA Special Supplemental Nutrition Program for Women, Infants and Children authorized by section 17 of the Child Nutrition Act of 1966, 42 U.S.C. 1786.