

**DEPARTMENT OF HEALTH  
PUERTO RICO WIC PROGRAM  
POLICIES AND PROCEDURES MANUAL**

**POLICY AND PROCEDURE: 6.08  
EFFECTIVE DATE: APRIL 2019**

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**VENDOR MANAGEMENT**

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**VENDOR AUTHORIZATION**

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**POLICY:**

Pursuant to 7 CFR 246.12(g)(1), the Puerto Rico WIC Program (PR WIC) must authorize an appropriate number and distribution of vendors in order to ensure the lowest practicable food prices consistent with an adequate participant access to supplemental foods, and to ensure effective program management, oversight, and review of its authorized vendors.

Pursuant to 7 CFR 246.12(g)(3), the State Agency must develop and implement eligibility criteria to select vendors for authorization. PR WIC will apply its selection criteria consistently. PR WIC may reassess any authorized vendor at any time during the vendor's agreement period using the vendor's selection criteria.

PR WIC will establish the eligibility criteria to be applied, if any, to determine the number of authorized vendors during the selection process as per 7 CFR 246.12.

**PROCEDURE:**

**I. VENDOR AUTHORIZATION ORIENTATION PROCESS**

1. PR WIC will announce the application period in addition to when and where applications will be submitted. The announcement will be published in at least two general circulation newspapers, in the PR WIC vendor's website known as WICA and in the Department of Health's website, at least thirty (30) days before the beginning of the application period.

2. Policies and Procedures with the requirements for vendor authorization will be provided both in the WIC vendor's website (WICA) and the Department of Health's website.

3. PR WIC Vendor Management Division could provide orientations about the authorization process. If needed schedule of the orientations will be published in at least two general circulation newspapers, the PR WIC vendor's (WICA) and the Department of Health's websites.

## **II. VENDOR AUTHORIZATION APPLICATION PROCESS**

1. Eligibility requirements applicable to the selection process will be available through Policies and Procedures in WICA and Department of Health's' websites.
2. Applications will only be accepted electronically, submitted through PR WIC vendor's website, WICA.
3. Each applicant will request access to the WICA website by means of a user name and a password. The new applicants must request a user's name, password and will have to complete the demographic data.
4. Under exceptional circumstances, on-site assistance will be available by prior appointment during the application period, at a designated location to be identified by the program. The vendor is responsible to bring all the required documents to be assisted by the program in the application appointment. The opportunity to complete the application through the on-site assistance appointment does not guarantee approval as an authorized PR WIC vendor.
5. Each required document must be scanned and attached as the application prompts. Vendors must provide the scanned documents identified by name of the document and store name.
6. The application will be available in the WICA website during 30 calendar days. Applications must be completed and submitted correctly with all the required documents on or before the established deadline. Applications received after the deadline will not be accepted. Applications remaining incomplete after the deadline will not be considered.
7. The WICA website will include a statement in which the vendor must certify correctness of the submitted information and accept the adverse results of omitting or providing false statements, before submitting the application.
8. The vendor will be able to access his application throughout the application period. He may enter data and save the application as many times as required until satisfied for its completion and correction. The vendor will be considered the only person or entity responsible for the content submitted and the completion of the application before, during, and after the application process. Also, will be responsible to comply with State and Federal Regulations, as well as the obligations under the WIC Authorized Vendor Contract Agreement.
9. The WICA website will display the status of the application (incomplete or submitted) when the vendor accesses the site. After the application deadline the system will not accept further changes nor the submission of application documents. After the application is submitted the Vendor Selection Committee will review it.

### III. ELIGIBILITY REQUIREMENTS/VERIFICATION PROCESS OF SUBMITTED DOCUMENTS

1. PR WIC will review all documents submitted by vendor applicants through the appointed Vendor Selection Committee.

2. Vendors must meet the eligibility criteria to be authorized. PR WIC will deny applications from any vendor who does not meet with the following eligibility criteria or fails to comply with them once authorized as a vendor. However, meeting all eligibility criteria will not guarantee authorization, since the vendor must also comply with regulatory requirements.

#### A. Eligibility Criteria for New Vendors

Eligibility Criteria	Verification of Submitted Documents
<p>1. Be an established store, doing business continuously. An established store means that it remains open, serve customers, and has retail sales.</p>	<p>The Selection Committee will verify that the permits and certifications for their operations are updated and correspond to the vendor applicant.</p>
<p>2. The Vendor should submit the following documents:</p> <ul style="list-style-type: none"> <li>(a) Permit of use issued by the Office of Permits Management (OGPe for its Spanish acronym) or the autonomous municipality in which the store is located, as applicable.</li> <li>(b) Have a valid Department of Health Sanitary License or evidence of the required processing.</li> <li>(c) Possess a valid municipal license (“patente municipal”).</li> <li>(d) First two (2) pages of the State Income Tax Return from previous year.</li> <li>(e) Certification of Income Tax Return filling for the last five (5) years.</li> <li>(f) No-debt Certification from the Department of Treasury or payment agreement.</li> <li>(g) Puerto Rico Vendor Registry Certificate (IVU for Spanish Acronym).</li> <li>(h) Certification of IVU filling.</li> <li>(i) No-debt IVU Certification or payment agreement.</li> <li>(j) Debt Certification for All Concepts from the Municipal Revenue Collection Center or payment agreement.</li> </ul>	<p>The Vendor should not reflect debts in their certifications and/or instead should present payment agreements.</p>

<b>Eligibility Criteria</b>	<b>Verification of Submitted Documents</b>
<p>(k) No-debt Certification for the Child Support Enforcement Agency (ASUME) (owner and corporative).</p> <p>(l) Certificate of No Penal Record.</p> <p>(m) Good Standing Corporate Certificate.</p> <p>(n) Employer Identification Number (EIN) or Tax Identification ID Number.</p> <p>(o) Corporate Resolution with the representative of the Authorized Vendor.</p>	
<p>3. The vendor must have a valid bank account and should provide a void check.</p>	<p>The Selection Committee will verify a check image to validate the existence of the bank account.</p>
<p>4. Must be a current and certified vendor of the Nutrition Assistance Program (NAP or PAN for Spanish Acronym).</p>	<p>The Selection Committee will verify the NAP active certification.</p>
<p>5. Have access to internet in store and a valid electronic e-mail address. Internet access in the vendor store is required for EBT and/or new technology implemented by PR WIC Program.</p>	<p>The inspector will verify the store has both internet access and a valid e-mail address.</p>
<p>6. New Vendor must submit a Food Gross Sales Projection.</p>	<p>This projection must be submitted electronically through the selection process application.</p>
<p>7. Must submit current shelf prices for all authorized supplemental foods included in the Food List.</p>	<p>The MIS will ensure that all prices are included.</p>
<p>8. Must be open at least 8 hours a day, 6 days a week, except holidays.</p> <p>Note: Opening on a holiday is at the vendor's discretion.</p>	
<p>9. Have available the PR WIC minimum stock requirement for sale in the store shelves and refrigerators as per the type of food at the time of the preliminary inspection in accordance with 7CFR 246.12(g)(3)(i).</p>	<p>PR WIC inspectors will verify availability of each item during the on-site inspection.</p>

Eligibility Criteria	Verification of Submitted Documents
<p>10. The vendor applicant must comply with business integrity criteria: have not been convicted of or had a civil judgment entered against them during the last six years for any activity indicating a lack of business integrity, in accordance with 7CFR 246.12(g)(3)(ii).</p>	
<p>11. The representatives of authorized vendors must attend mandatory training sessions, scheduled by PR WIC before authorization.</p>	
<p>12. The vendor must not have a conflict of interest, or the appearance of a conflict of interest, with PR WIC.</p>	<p>The inspectors will verify through the preliminary inspection:</p> <ul style="list-style-type: none"> <li>a. When an applicant or authorized vendor requests authorization to establish or relocate an authorized retail store in a building or structure where a PRWIC clinic is located, or where WIC services are offered.</li> <li>b. When the owner or tenant of the building where a PR WIC clinic is located requests to become a WIC authorized vendor.</li> <li>c. When an authorized vendor owns or has a substantial economic interest or is part of the corporation that owns the building where a PR WIC clinic is located.</li> <li>d. When a person or organization that already has another type of business relationship with the PR WIC requests to become a WIC authorized vendor.</li> <li>e. When an authorized vendor enters into another type of business relationship with the PR WIC Program.</li> </ul> <p><b>These eligibility criteria are included in the Vendor Agreement.</b></p>
<p>13. The vendor applicant must obtain contract infant formulas only from sources approved by PR WIC Program as stated in the vendor application (7 CFR 246.12(g)(3)(i)).</p>	<p>The authorized vendors must purchase infant formulas from distributors, suppliers and wholesalers approved by manufacturers. This is included in the Vendor Agreement.</p>

**Failure to comply with eligibility requirements or submitting false or misleading information on the application or the required documents is cause for immediate termination of the Vendor Agreement.**

**B. Eligibility Criteria for Current Vendors**

The current vendors must identify themselves in the application with their valid vendor id number. Afterwards, the vendor will confirm if the information contained in the database belongs to the owner and the store submitted in the vendor application. If the information is correct, the following will be requested to the vendor:

<b>Eligibility Criteria</b>
Department of Treasury: (a) Certification of Income Tax Return filling for the last five (5) years. (b) No-debt Certification from the Department of Treasury or payment agreement. (c) Certification of IVU filling. (d) No-debt IVU Certification or Payment Agreement.
Department of Health: A valid Department of Health Sanitary license or evidence of the required processing.
CRIM: Debt Certification for All Concepts from the Municipal Revenue Collection Center or payment agreement.
ASUME: No-debt Certification for the Child Support Enforcement Agency (ASUME) (owner and corporative).
State Department: Good Standing Corporate Certificate.
Police of Puerto Rico: Certificate of No Penal Record.
Submit the shelf prices for all authorized supplemental food included in the Food List.
Fill the Food Sales Form.

Also, the current vendor should comply with the following requirements:

Have access to internet in store and a valid electronic e-mail address. Internet access in the vendor store is required for EBT and/or new technology implemented by PR WIC Program.
Must be open at least 8 hours a day, 6 days a week, except holidays.
Note: Opening on a holiday is at the vendor's discretion.
The representatives of authorized vendors must attend mandatory training sessions, scheduled by PR WIC before authorization.
The vendor applicant must obtain contract infant formulas only from sources approved by PR WIC Program as stated in the vendor application (7 CFR 246.12(g)(3)(i)).

The only information that can be edit in the application is postal address, email address or telephone number. If the vendor needs to change any other information, he should apply as a new vendor.

#### ***IV. PRELIMINARY INSPECTION***

PR WIC will conduct an initial announced site visit to new applicant vendors to verify that the minimum stock food inventories are being met, verify shelf prices, and determine compliance with the eligibility criteria.

#### ***V. PRELIMINARY INSPECTION VALIDATION***

1. Once the Vendor Management inspectors complete each preliminary inspection, a report will be submitted to the Vendor Selection Committee.
2. The Vendors Selection Committee will verify the inspection documentation to determine if the vendor complies with all the eligibility criteria.

#### ***VI. TRAINING AND SIGNING VENDOR AGREEMENT BY VENDOR MANAGEMENT DIVISION***

1. Once PR WIC determines that the applicant has met all the eligibility criteria and the distinct competitive price criteria, selected vendors will be notified, in writing by mail and/or email, of the determination.
2. The notification will contain information on the mandatory attendance to a vendor training session prior to signing the authorization agreement and will set the date for the training. The notice will advise that failure to attend the training will result in the denial of the authorization, except when written justification is presented. PR WIC will provide vendors with one alternative date to attend training already scheduled.
3. The vendor representative authorized to sign the agreement must attend the mandatory training.
4. After receiving the mandatory training, only the vendors (owners) who accept the terms and conditions will sign the authorization agreement. Vendors who sign the vendor agreement will be activated in the WIC vendor's database.
5. New vendors will be provided with contact information to call and set up an appointment for scanner installation or another electronic device if necessary.
6. PR WIC Director will notify the non-selected vendors, in writing by mail and/or email, of the denial action, stating the reason for denial. The notice will contain information on the right to appeal the determination, the period in which to appeal, and the process to request an administrative review.

**In the Policy and Procedure 6.19 the vendors must review the following:**

- **Classification of Regular or Above 50 Percent Vendors**
- **The Identification of comparable vendors and assigned peer groups**
- **Competitive Price Determination**
- **Allowable Reimbursement Levels**

P&P 6.08 - April 2019 supersedes P&P 6.08, as of April 2017.