When the State agency determines the vendor has committed a vendor violation that affects the payment to the vendor, the State agency will delay payment or establish a claim. The State agency may delay payment or establish a claim in the amount of the full purchase price of each food instrument or cash-value voucher that contained the vendor overcharge or other error.

The State agency will provide the vendor with an opportunity to justify or correct a vendor overcharge or other error. The vendor must pay any claim assessed by the State agency. In collecting a claim, the State agency may offset the claim against current and subsequent amounts to be paid to the vendor. In addition to denying payment or assessing a claim, the State agency may sanction the vendor for vendor overcharges or other errors in accordance with the State agency's sanction schedule.

APPEALED CHECKS

Rejected checks are returned to the Vendor through standard banking procedures. The designated criteria for rejecting checks and Cash Value Vouchers (CVVs) for payment are:

a) The Vendor is not authorized to accept WIC checks;

b) The "DATE OF USE" is illegible, missing, or improperly corrected;

c) The "AMOUNT" is illegible, missing, or improperly corrected;

d) The WIC check dollar amount exceeds the reasonable dollar amount for that WIC check type (based on the average redemption value for that WIC check type for the assigned vendor peer group).

e) The WIC CVV dollar amount exceeds the printed dollar amount of a WIC CVV. Checks will be rejected if the amount is above the Maximum Allowable Reimbursement for that WIC FI;

f) The WIC check is stale dated (the bank processed after 60 calendar days from the "FIRST DAY TO USE");

g) The WIC check was redeemed before or after the valid dates for use;

h) Vendor Number is illegible, missing, or improperly corrected;

i) Missing Vendor Number;

j) Unreadable Vendor Number;

k) Unauthorized Vendor Number;

l) Missing participant's signature;

m) Other (e.g., stop payment placed on the WIC check or the WIC check was previousl voided).