

Table of Contents

Welcome Letter

A. About the Farmers’ Market Nutrition Programs.....	1
B. Farmer-Vendor and Farmers’ Market Eligibility.....	1
C. Farmer-Vendor Authorization Process.....	2
D. Farmers’ Market Authorization Process.....	5
E. Termination of Farmer-Vendor or Farmers’ Market Agreement.....	7
F. Approved Produce List.....	7
G. Accepting WIC Vouchers and Coupons.....	8
H. Program Monitoring.....	14
I. Problems or Complaints.....	16
J. Discrimination Complaints.....	16
K. State Agency Program Responsibilities.....	16
L. Fair Hearing/Administrative Appeals.....	17
M. Definitions.....	18

List of Tables:

Table 1 Coupons & Vouchers – What’s Different?

Table 2 Common FVV Errors and Consequences

Table 3 FMNP Violations and Penalties

Appendices:

Appendix A	Farmer-Vendor Application Form
Appendix B	Farmers’ Market Application Form
Appendix C	Farmers’ Market/Farmstand/Farmer Agreement
Appendix D	Banking Form
Appendix E	List of Authorized Produce
Appendix F	Key Bank Reimbursement Form
Appendix G	Complaint Form
Appendix H-1	SFMNP Fairbanks
Appendix H-2	SFMNP Wasilla

“In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability.

To file a complaint of discrimination, write USDA, Director, Office of Civil Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (866) 632-9992 (voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer.”



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of
Health and Social Services

DIVISION OF PUBLIC ASSISTANCE
Family Nutrition Programs
Juneau

130 Seward Street, Suite 508
PO Box 110612
Juneau, Alaska 99811-0612
Main: 907.465.3100
Fax: 907.465.3416

May 10, 2013

Dear Farmers' Market Vendor:

Thank you for your participation in the Women, Infants and Children (WIC) and Senior Farmers' Market Nutrition Programs (FMNP). Each year these programs provide thousands of Alaskans with the opportunity to buy fresh, Alaska-grown vegetables and fruits. You provide participants with the experience of shopping for fresh, delicious foods that help them make healthy eating choices for their families and themselves.

The Alaska WIC Program has made a major change since the 2012 season. Participants are no longer required to show a photo ID. Instead, the program has issued a WIC Food List/Participant ID Folder to each participant. The inside back cover of the booklet lists the Participant Name (with enrolled family members) on the right and Authorized Participant Signature and/or Authorized Representative/Proxy Signature on the left. The food list is the participant's only authorized form of identification allowed for transacting Fruit & Vegetable Vouchers (FVV) - \$6.00, \$10.00, or \$15.00.

Program highlights

- In 2012 farmers and farmers' markets were authorized for two seasons. Farmers who were authorized last year are authorized to accept coupons through October 31, 2013.
- First-time farmer-vendors and market managers are required to attend one mandatory training teleconference. The first training will held on June 4th at 9:00 a.m. The call in number is 1(800)281-5354 Code 259225.
- All farmer-vendors and market managers may fulfill their annual training requirements by reviewing the FMNP-SFMNP Handbook, along with all program updates, announcements and other program communications.
- All farmer-vendors and market managers must ensure their staff is familiar with the allowed foods and the procedures for accepting and redeeming FMNP and SFMNP coupons.

If you have any questions about the FMNP, please contact Alice Albrecht by phone at (907) 465-8630 or email: Alice.Albrecht@alaska.gov. For questions and concerns specific to the Senior FMNP program, please contact Elaine Nisonger at (907) 269-8446 or email: Elaine.Nisonger@alaska.gov.

We hope you have a prolific growing season. Thank you for your hard work.

Sincerely,

A handwritten signature in blue ink that reads "Sandy Harbanuk".

Sandy Harbanuk
WIC Vendor Coordinator

A. About the Farmers' Market Nutrition Programs

Supplemental Nutrition Program for Women, Infants and Children (WIC) FMNP

WIC is a federally-funded health and nutrition program for women, infants, and children. WIC helps families by providing food assistance coupons to buy nutritious supplemental foods from WIC-authorized vendors. WIC also provides nutrition education to participants. To qualify for the program, participants must meet the federal income guidelines, be nutritionally at-risk, and be pregnant, new mothers, infants, or children under age five.

WIC Fruit and Vegetable Vouchers (FVVs)

As part of their food benefit, WIC participants in Alaska receive one FVV each month. FVVs may have a value of \$6, \$10, or \$15, and they can be used at a retail store or at a farmers' market or farmstand.

WIC Farmers' Market Nutrition Program (FMNP)

Eligible WIC participants may also qualify for Alaska WIC Farmers' Market Nutrition Program (FMNP) benefits during the Farmers' Market season (June 1 – October 31) each year. Since Farmers' Markets and farmstands are not available in every region of Alaska, WIC FMNP coupons are distributed only to participants who have access to authorized farmer-vendors. Participants receive five (5) \$5 coupons for purchase of fresh, nutritious, locally grown produce from Alaska WIC-authorized farmers' markets.

Senior Farmers' Market Nutrition Program (SFMNP)

The SFMNP serves eligible senior citizen participants sixty (60) years of age and older who are nutritionally at-risk, and who meet income, residency and ID guidelines. Senior participants are provided with five (5) \$5 SFMNP coupons that may be used at authorized farmers' markets and farmstands during the June 1 – October 31 season.

B. Farmer-Vendor and Farmers' Market Eligibility

Alaska FMNP and SFMNP coupons and FVVs can only be accepted by authorized Farmer-Vendors at designated farmers' markets and farmstand locations that have been approved by the State program. FVVs may be spent at authorized grocery stores as well as at authorized farmstands and farmers' markets.

Who qualifies for the programs?

- A farmer who grows at least one-third (33 percent) of the produce s/he offers for sale at a farmers' market or farmstand.
- A farmer whose produce offered for sale is "locally grown" - grown only within Alaska's borders.
- A farmers' market that includes enough authorized farmers participating in the market, or, if a farmstand, provides enough variety and quantity of produce to meet the demand of WIC, FMNP, and SFMNP participants in the area served.

- A farmers' market or farmstand that is open for a minimum of four hours on at least one day every week for the period stated in the Farmer-Vendor Agreement.
- A farmers' market or farmstand that is located in an area that serves enough eligible WIC, FMNP, and SFMNP participants to justify the need for a farmers' market or farmstand.
- A farmers' market or farmstand that is located in an area where the local WIC and/or Senior Agency are able to provide necessary services to administer the programs.
- A farmer who can meet the General Requirements described on page 3.

Who does not qualify?

- A wholesale or retail farmer who grows less than 33 percent of the produce s/he sells.
- A farmer who sells only through Community Supported Agriculture (CSA) or harvest box.
- A farmer who is in violation of other Food and Nutrition Service (FNS) programs such as Food Stamps.
- A farmer who is currently disqualified, sanctioned, or under investigation by the WIC or Food Stamp Program.

C. Farmer-Vendor Authorization Process

Farmer-Vendor authorizations are for a two year period, starting on even years. Applicants who apply during even years will be authorized for both years; those who apply in odd years will be authorized for that year only. All interested farmers and farmers' markets must submit a new application for each two-year cycle.

An application form (Appendix A) for authorization as a Farmer-Vendor under the Farmers' Market Nutrition Programs, is available on the Alaska WIC Program website at:

<http://www.hss.state.ak.us/dpa/programs/nutri/FMNP/FMNPVendorInfo.htm>.

A Banking Information Form is also available on the website, or you may request to receive the forms by mail.

How to Apply

- 1) Complete the appropriate application form, and the banking information form and submit them by mail to the following address:

Farmers' Market Nutrition Program
 Division of Public Assistance/WIC
 130 Seward Street, Room 508
 Juneau, Alaska 99801

- 2) You may also download and complete the Farmers' Market/Farmstand/Farmer Agreement, and submit it with the application. If your farm/farmstand is authorized, the State Agency will finalize the agreement and return an original copy to you with your start-up package.
- 3) Applications are accepted from April 15 until the deadline of August 31. Applications received after August 31 will not be processed and will need to be resubmitted the following year.

Authorization Process

Applications for authorization to accept the FMNP and SFMNP coupons and FVVs are processed within 15 days of receipt by the WIC Program. Applications with missing information, e.g. required signatures, or the Banking Information Form, will not be processed until the packet is complete.

If your application is denied authorization by the WIC Program, then you may not accept FMNP or SFMNP coupons or FFVs. All applicants that are denied authorization will receive written notification of the denial and the right to an appeal.

If your application is approved by the WIC Program, a Farmer-Vendor Agreement will be sent to you for your signature. (If you have already submitted a Farmer-Vendor Agreement with your signature, the final agreement, with the WIC Program Director's countersignature, will be returned with the start-up package.) The Farmer-Vendor Agreement will be valid for both market seasons during the two year cycle. If you have applied during the second year of the cycle, the Farmer-Vendor Agreement will be valid for that season only. After the signed agreement is returned to the WIC Program, it will be signed by the WIC Program Director, and your farmstand will be authorized to begin accepting FMNP and SFMNP coupons and FVVs.

The WIC Program will mail you a **start-up package** that includes:

- A copy of the fully executed Farmer-Vendor Agreement.
- A single self-inking stamp with a uniquely assigned Farmer Number. This Farmer Number will be used to identify the farmer in program files, the banking system, and as an identifier at the farmstand.
- The Alaska WIC Program Handbook for the FMNP & SFMNP Programs.
- A WIC Farmers' Market Poster that **must** be displayed prominently at your farmstand or market. Posting the sign lets participants know that they can use their FMNP or SFMNP coupons and FVVs at your farmstand or market. Failure to comply may result in sanctions (see page 14).

Important Note: Do not accept any FMNP or SFMNP coupons or FVVs until you have received your signed Farmer-Vendor Agreement and vendor stamp.

General Requirements

The authorized Farmer-Vendor will:

- Accept and redeem FMNP and SFMNP vouchers and coupons only after you are authorized by the WIC Program.
- Accept vouchers and coupons within the dates of their validity and submit them for payment within the allowable time period established by the State.
- Check the WIC Food List/Participant ID Folder and compare the signature for WIC participants when accepting FVVs. (A photo ID is *not* required for FMNP or SFMNP coupons).
- Mark each transacted coupon or voucher with a Farmer-Vendor number prior to depositing at your bank. SFMNP coupons must be stamped with the vendor number before redeeming at the assigned payment agency (Appendix H-1, H-2)
- Assure that FMNP and SFMNP coupons and FVVs are accepted only for eligible foods grown within Alaska's borders. (FVVs may be used to purchase non-Alaska grown produce from retail stores, but may be used only for Alaska grown produce at a farmers' market or farmstand.)
- Provide eligible foods at the current price or less than the current price charged to other customers.
- Accept training on FVV, FMNP, and SFMNP procedures and provide training to farmers and employees with responsibilities for such procedures.
- Be accountable for actions of farmers or employees in check handling and processing.
- Agree to be monitored for compliance with FVV, FMNP, and SFMNP requirements, both overtly and covertly.
- Provide access and cooperate with WIC Program representatives when being monitored for compliance with program procedures and requirements.
- Agree to reimburse the Alaska WIC Program for any coupons transacted in violation of program requirements.
- Comply with the nondiscrimination provisions of USDA regulations:
Federal law prohibits discrimination against customers based on race, color, national origin, sex, age, or disability.
- Offer WIC, FMNP, and SFMNP and/or their proxies the same courtesies as other customers.
- Notify the State Agency if any farmer or farmers' market ceases operation prior to the end of the authorization period.
- Handle the FVVs, FMNP and SFMNP coupons as you do cash. They should be stored in a secure, locked location. Lost or stolen vouchers and coupons will not be replaced.

- Understand that the State of Alaska may deny payment and require reimbursement for any improperly redeemed vouchers or coupons; for example, if they are redeemed prior to authorization, or accepted for non-eligible foods, etc.
- Prominently display the WIC Farmers' Market Poster at the point of sale or on your farm stalls so WIC and Senior participants can identify you as an approved Farmer-Vendor.

The authorized Farmer-Vendor will not:

- Collect sales tax on FMNP or SFMNP purchases.
- Seek restitution from FMNP participants for checks not paid by the WIC Program.
- Issue cash change for purchases that are in an amount less than the value of the FMNP or SFMNP coupon(s), or FVVs.
- Accept and exchange FMNP or SFMNP coupons or FVVs for cash.
- Accept FMNP or SFMNP coupons or FVVs for non-eligible foods.
- Charge more or levy a surcharge for participants who use FMNP or SFMNP coupons or FVVs.
- Commit fraud or abuse of the WIC, FMNP, or SFMNP programs.
- Participate in the WIC, FMNP, or SFMNP programs if you are sanctioned or disqualified by the Alaska Department of Health and Social Services.
- Accept FMNP or SFMNP or coupons that are canceled, marked VOID, or appear to be reproduced or tampered with.

D. Farmers' Market Authorization Process

A farmers' market must be authorized by the Alaska WIC Program before allowing farmers to accept FMNP or SFMNP coupons FVVs. The Market Manager agrees to perform the duties as required by the program as described in this section of the Handbook.

Farmers' Market authorizations are for a two year period, starting in even years. Applicants who apply in even years will be authorized for both years; those who apply in odd years will be authorized for that year only. All interested farmers and farmers' markets must submit a new application for each two-year cycle.

An application form (Appendix B), for authorization as a Farmers' Market under the Farmers' Market Nutrition Programs, is available on the Alaska WIC Program website at: <http://www.hss.state.ak.us/dpa/programs/nutri/FMNP/FMNPVendorInfo.htm>. A Banking Information Form is also available on the website, or you may request to receive the forms by mail.

How to Apply

- 1) Complete the appropriate application form, and the Banking Information Form and submit them by mail to the following address:
Farmers' Market Nutrition Program
Division of Public Assistance/WIC
130 Seward Street, Room 508
Juneau, Alaska 99801
- 2) You may also download and complete the Farmers' Market/Farmstand/Farmer Agreement, and submit it with the application. If your farmers' market is authorized, the State Agency will finalize the agreement and return an original copy to you with your start-up package.
- 3) Applications are accepted from April 15 until the deadline of August 31. Applications received after August 31 will not be processed, and will need to be resubmitted the following year.

Authorization Process

Applications for authorization to accept FMNP and SFMNP coupons and FVVs are processed within 15 days of receipt by the State Agency. Applications with missing information, e.g. missing signatures, or not including the banking information form, will not be processed until the packet is complete.

If your application is denied authorization by the State Agency, then you may not accept FMNP or SFMNP coupons or FVVs. All applicants that are denied authorization will receive written notification of the denial and the right to an appeal.

If your application is approved by the WIC Program, a Farmers' Market/Farmstand/Farmer Agreement will be sent to you for your signature. (If you have already submitted a Farmers' Market/Farmstand/Farmer Agreement with your signature, the final agreement, with the State Program Director's countersignature, will be returned with the start-up package.) The Farmer-Vendor Agreement will be valid for both market seasons in the two year cycle. If you have applied in the second year of the cycle, the Farmer-Vendor Agreement will be valid for that season only. After the signed agreement is returned to the State Agency, it will be signed by the WIC Program Director, and your market will be authorized to begin accepting WIC coupons and vouchers.

The State Agency will mail you a **start-up package** that includes:

- A copy of the fully executed Farmers' Market/Farmstand/Farmer Agreement.
- The Alaska WIC Program Handbook for the FMNP & SFMNP Programs.
- A WIC Farmers' Market Poster that **must** be displayed prominently at your farmstand or market. Posting the sign lets participants know that they can use their FMNP and SFMNP coupons and FVVs at your farmstand or market. Failure to comply may result in sanctions (see page 14).

Important Note: Your Farmers' Market may not accept any FMNP or SFMNP coupons or FVVs until you have received your signed Farmers' Market/Farmstand/Farmer Agreement.

FMNP Farmers' Market Requirements

The authorized Farmers' Market Manager will:

- Ensure that the WIC Farmers' Market Poster is prominently posted at all Market Manager information booths and Farmer-Vendor Stalls.
- Provide the WIC, FMNP, and SFMNP information and training to farmers requesting authorization to participate in these programs.
- Provide the State Agency with the location and scheduled dates and hours of market operation.
- Report to the State Agency any alleged or suspected misuse, abuse, fraud, or violation in connection with the FMNP policy and procedures.

E. Termination of Farmer-Vendor or Farmers' Market Agreement

A Farmer-Vendor may terminate his/her participation in the WIC, FMNP, and SFMNP by giving the WIC Program at least 30 days written advance notice. You must remove any WIC, FMNP, and SFMNP materials supplied by the program and return the stamp issued to you to the following address:

Farmers' Market Nutrition Program
Division of Public Assistance/WIC
130 Seward Street, Room 508
Juneau, Alaska 99801

F. Approved Produce List

The fruits and vegetables that are approved for purchase by WIC, FMNP, and SFMNP participants are also called **eligible foods**. See **Appendix E** for a complete list of Approved Produce.

There are some distinctions between the fruits and vegetables that are eligible for purchase with FMNP and SFMNP coupons and the eligible foods for FVVs. This can cause confusion for participants and for farmers' and farmers' market employees. We recognize that farmstands and market stalls frequently do business at a brisk pace and need to keep the customers flowing. We strongly recommend that you familiarize yourself with the Approved Produce List, and keep a copy with every cash box for quick reference.

Generally, for FMNP and SFMNP coupons and FVVs, the following rules apply:

Allowed:

- WIC-approved fruits and vegetables (without added sugars or oils)
- Fruits and vegetables that are not processed or prepared beyond their natural state except for usual harvesting and cleaning processes.

Not allowed:

- Baked goods.
- Meats, seafood, eggs, or dairy products.

- Dried fruits and vegetables, fruit leathers or fruit roll-ups.
- Ornamental corn or gourds.
- Nuts or seeds.

Table 1: Coupons & Vouchers – What’s Different?

FMNP or SFMNP Coupons	Fruit and Vegetable Vouchers (FVVs)
Fruit or vegetable item must be locally grown (within Alaska’s borders)	Not required to be locally grown
Allows only fresh fruits, vegetables, and fresh-cut herbs.	Allows fresh, frozen or canned fruits and vegetables.
Allows white potatoes	Does not allow white potatoes
Allows fresh-cut herbs	Does not allow fresh-cut herbs or spices.
Can be used at authorized Farmstand or Farmers’ Market only	Can be used at authorized Farmstand, Farmer’s Market, or grocery store.

G. Accepting FMNP and SFMNP Coupons

All FMNP/SFMNP coupons and FVVs must be handled like cash; lost or stolen coupons or vouchers are not replaceable. If you suspect abuse, please report it to the Alaska State Agency.

DOs:

- Do accept coupons only within the valid market dates of June 1 – October 31 of the current year.
- Do allow participants to combine multiple FMNP or SFMNP coupons and FVVs in a single transaction.
- Do offer to add produce to equal the amount of the coupon if a purchase is less than the value of the coupon(s).
- Do not charge or collect sales tax on the value of the coupons presented. You may collect sales tax on the amount of the purchase that exceeds the value of the coupons.

DO NOTs:

Do not accept coupons tendered outside of the valid market dates.

Do not give change for a coupon.

Do not charge or collect sales tax on the value of the coupons presented. You may collect sales tax on the amount of the purchase that exceeds the value of the coupons.

FMNP Coupons

WIC Local Agencies distribute FMNP coupons worth \$5 each to eligible WIC participants during the Farmers' Market season. Currently, a participant receives five coupons, for a total of \$25.

501 1 302112831 060311 FMNP FMC	STATE OF ALASKA	89.52 1282	Warrant No 87014308 ^{W5274574}
WIC Participant must use this warrant between 06/01/2011 and 10/31/2011	FARMERS' MARKET WARRANT WIC PROGRAM		Amount of Sale \$5.00 Farmer Official Stamp
This check may ONLY be used at WIC approved Alaska Farmers' Markets and Farm Stands to buy locally grown fresh vegetables, herbs, fruits, and berries.	NO CHANGE. NOT GOOD FOR CASH. NOT GOOD AT GROCERY STORES.		9709
FARMER: Do not accept unless you have an Alaska WIC Program Farmers' Market Agreement. ALL FARMERS' MARKET WARRANTS MUST BE DEPOSITED BY NOVEMBER 30, 2011.			No payment without official stamp
⑈ 8 7 0 1 4 3 0 8 ⑈ ⑆ 1 2 5 2 0 0 5 2 3 ⑆ 7 2 9 6 8 1 0 0 5 6 7 8 ⑈			

Handling Process

- 1) Stamp your unique WIC Farmer-Vendor number in the white box on the front of each coupon. Do not leave the white box blank.
- 2) Sign or endorse the back of the coupon before depositing it into the bank.
- 3) Deposit all FMNP coupons in your bank by **November 30** of the current year.

SFMNP Coupons

Eligible senior participants receive five SFMNP coupons worth \$5 each during the Farmers' Market season, for a total of \$25.



Handling Process

- 1) Stamp your unique WIC farmer-vendor ID number on the "Farmer Code" line on the front of each coupon. Do not leave the Farmer Code line blank.
- 2) Request reimbursement for all SFMNP coupons within 30 days of receipt. Do not wait until the end of the season to submit SFMNP coupons for redemption.
- 3) To redeem, send the SFMNP Coupon Reimbursement Form (**Appendix H-1, H-2**) with the original SFMNP coupons to the assigned payment agency – **the Senior coupons cannot be deposited in the bank.** Farmers or Farmers' Market Managers may send the SFMNP coupons to the following payment agencies for reimbursement:

United Way of Mat-Su (Wasilla) processes the coupons for Kenai Peninsula, Anchorage, Copper Center, and Mat-Su communities.

North Star Council on Aging (Fairbanks) processes the coupons for Fairbanks, Nenana, Delta Junction, and Dillingham.

United Way of Mat-Su
124 Swanson Ave. Suite C
Wasilla, AK 99654

North Star Council on Aging
1424 Moore Street
Fairbanks, AK 99701

- 4) All reimbursements of SFMNP coupons will be processed by one of the above payment agencies no later than December 31. SFMNP coupons received after November 30 will not be reimbursed.

Fruit and Vegetable Vouchers (FVVs)

Program rules for accepting FVVs are more complex than the rules for FMNP/SFMNP coupons, and it is important to learn and follow the rules to ensure that FVVs will be redeemable.

DOs:

- Do allow FVVs to be combined with FMNP coupons in a transaction.
- Do add produce to equal the full value of the voucher, if the purchase is less than the amount printed on the FVV
- Do allow the participant to pay the difference using her/his own funds, if the purchase is more than the amount printed on the voucher.
- Do compare the participant or proxy’s signature with the WIC Food List/Participant ID Folder.

DO NOTs:

- Do not charge or collect sales tax for a purchase up to the value of an FVV. Payment for the excess portion of a sale over the amount of the FVV can be subject to any applicable sales tax.
- Do not accept FVVs after October 31 of the current year.
- Do not ask for the participant or proxy’s driver’s license or picture ID.

500 01 99999999 102411		STATE OF ALASKA TREASURY WARRANT		89-52 1252	W567296
Not to exceed \$6.00		Valid between 10/24/2011 and 11/24/2011		Warrant No 89552032	
		WIC PROGRAM			
Date	Signature				
WIC Mom Or WIC Dad for WIC Child					
FRUIT and VEGETABLE VOUCHER (FVV) FVV for \$6.00 of fresh, canned, or frozen fruits and vegetables.					
Any Container is allowed for canned or frozen fruits/vegetables. No change can be given if purchase is less than \$6. Paying extra at check out allowed if purchase is over \$6.					
\$6		SIX DOLLARS		\$6	
Actual Amount of Sale \$ _____					
Vendor Stamp Vendor must deposit by 12/24/2011 or Warrant will be deemed paid					
#89552032# 125200523# 729681005678#					

Handling Process

- 1) Check the valid dates on the FVV. You may accept an FVV only during the 30-day period printed on the face of the voucher. FVVs redeemed outside of the valid dates will be rejected by the bank.
- 2) Compare the signature of the participant or proxy with their WIC Food List/Participant ID Folder. If a proxy is shopping for the participant, their signature must appear on the food list as one of the Authorized Representative/Proxy Signatures.
- 3) Write the actual amount of the sale in the amount box on the FVV. Then ask the participant or proxy to sign the FVV. Compare the signature to the signature on the customer's WIC Food List/Participant ID Folder. Always write in the amount of the sale *before* the customer signs the FVV.
- 4) The total purchase price entered on the face of the FVV must never exceed the "Not to Exceed" amount printed on the voucher.
- 5) Stamp your Farmer-Vendor number on the FVV in the box marked "vendor stamp."
- 6) **Deposit the FVV in your account within 60 days of the first valid date printed on the FVV.** FVVs deposited outside of this time frame will *not* be reimbursed.

Preventing and Correcting FVV Errors

FVVs are "pre-edited" (screened for errors) by Key Bank. The coupons and vouchers are reimbursed if there are no errors. An error may be correctable; in this case it will be returned to you for correction. If the error is "fatal," the bank will reject the voucher and payment will be denied.

Important Note: Your bank may charge you a returned check handling fee for each incorrectly deposited WIC FMNP coupon or FVV. Please make certain to check your coupons and vouchers for errors before you deposit them into your account.

If the wrong "total amount of sale" or "transaction date" is written on an FVV, the following procedures must be followed to correct the error. Failure to follow these procedures will likely cause the FVV to be rejected by the bank:

- 1) Draw a **single line** through the incorrect amount or date to ensure that these are still readable.
- 2) Clearly write the correct amount or date next to the error (within the box) in ink.
- 3) Mark your initials next to the correction.
- 4) Deposit the FVV in your bank, as usual.

For correctable errors, make the corrections according to the guidelines and send to Key Bank at the address below, together with a completed **Request Form for WIC FMNP coupon/FVV Electronic Reimbursement Payment** (Appendix G). Note that the reimbursement request must be received by Key Bank within 30 days of the date of rejection.

Key Client Service
 NY- 31- 17- 0170
 AK Reimbursement
 17 Corporate Woods Blvd.
 Albany, New York 12211

Table 2: Common Banking Errors and Consequences

Error	Result
<p>Missing Farmer-Vendor stamp</p> <p>Illegible Farmer-Vendor number</p> <p>Invalid Farmer-Vendor number</p> <p>Amount encoded by your bank of deposit disagrees with amount entered on face of FVV (must be corrected through your bank).</p> <p>Altered purchase price (correctable)</p>	<p>Non-fatal</p> <p>Key Bank will return the rejected FVV or FMNP coupon.</p> <p>Error may be corrected and the FMNP coupon or FVV may be sent to Key Bank, with a request for repayment, as described above.</p>
<p>Altered Farmer-Vendor stamp</p> <p>Missing participant signature</p> <p>Altered FVV or FMNP information</p> <p>Deposited after date specified for FVV/ FMNP coupon</p> <p>Altered purchase price (not correctable)</p> <p>Missing purchase price</p> <p>Altered signature or date</p> <p>Invalid transaction date</p> <p>Deposited prior to valid date</p>	<p>Fatal</p> <p>Key Bank will return the rejected FVV or FMNP coupon.</p> <p>Error may not be corrected, and the FVV or FMNP coupon cannot be re-deposited at Key Bank.</p>

Sample Alaska WIC Corrected FVV

The image shows a sample Alaska WIC Corrected FVV (Food Voucher) with two callouts. The first callout, labeled 'Corrected Dates', points to the date 'FV 7-7-10' and the signature 'mother' in the 'Mother Or Father for Baby' field. The second callout, labeled 'Corrected Amount of Sale', points to the 'Actual Amount of Sale' field, which shows '\$ 6.00 FV' and '\$ 10.63'. The voucher is for \$6 and is valid between 06/15/2010 and 07/15/2010. It includes the text 'STATE OF ALASKA TREASURY WARRANT WIC PROGRAM' and 'Vendor must deposit by 08/15/2010 or Warrant will be deemed paid'. The number '1609' is printed in a box, and the text 'No change given' is also present.

Corrected Dates

Corrected Amount of Sale

Not to exceed \$6
Valid between 06/15/2010 and 07/15/2010

STATE OF ALASKA
TREASURY WARRANT
WIC PROGRAM

Warrant No. 83773379

FV 7-7-10
7-6-10
Signature: mother
Mother Or Father for Baby

Actual Amount of Sale
\$ 6.00 FV
10.63

1609

Vendor Stamp
Vendor must deposit by 08/15/2010
or Warrant will be deemed paid

\$6 (six dollars) Fruits and Vegetables: Fresh, frozen, or canned (any container allowed)

Participant may pay amount over value of voucher

No change given

#83773379# 1625200523: 729681005678#

H. Program Monitoring

USDA regulations require State Agencies to monitor authorized vendors for compliance with the rules that are intended to ensure that federal funds allocated for FMNP and SFMNP are

Monitoring Visits

State and Local Agency staff conduct regular on-site visits and monitoring of farmer-vendors and farmers' markets – both covertly and overtly. The goals are to:

- Ensure compliance with the program requirements.
- Provide technical assistance and support to farmer-vendors and market managers.
- Conduct investigations of complaints, alleged violations, frauds, or illegal activity.

Farmer-vendors who fail to comply with the WIC, FMNP and SFMNP program requirements are subject to warning, sanctions (penalties), and/or disqualification depending on the extent, severity, and frequency of the violation.

Sanctions for Program Violations

A farmer-vendor or market manager who commits fraud or abuse is subject to program sanctions, which may include repayment, fine, suspension, or disqualification from the program.

Violations are classified into three levels of noncompliance, Category I, Category II, and Category III. If a violation is documented, sanctions will be imposed. See Table 3.

Table 3: FMNP Violations and Penalties

Violation Type	Description	State Agency Action/Penalty
Category I	<p>Failure to display a WIC Farmers' Market Poster.</p> <p>Accepting FMNP or SFMNP coupons or FVVs for ineligible foods.</p> <p>Depositing or cashing FMNP/SFMNP coupons or vouchers without a valid farmer-vendor number stamped in the appropriate box. (First violation)</p> <p>Accepting an FVV without comparing their signature with their WIC Food List/Participant ID Folder. (First violation)</p>	<p>Violation will result in verbal or written warning, with corrective action requested.</p> <p>Additional training may be provided on-site or by teleconference.</p>
Category II	<p>Accepting FMNP or SFMNP coupons or FVVs before authorization is complete.</p> <p>Accepting FMNP or SFMNP coupons or FVVs at an unauthorized farmers' market, or other unauthorized premises.</p> <p>Discriminating actions against a WIC, FMNP or SFMNP participant.</p> <p>Two or more Category I violations.</p>	<p>Violation will result in a written notification of noncompliance from the State Agency.</p> <p>The farmer-vendor may be required to participate in special training to resolve the violation.</p>
Category III	<p>Charging FMNP or SFMNP participants more than other customers.</p> <p>Attempting to collect or collecting sales tax on produce sold to WIC and Senior participants (coupon or FVV portion only).</p> <p>Providing money back to participants where the amount of the purchase is less than the coupon or voucher.</p> <p>Two or more Category II violations.</p>	<p>Violation will result in suspension or disqualification from the WIC, FMNP or SFMNP Program.</p> <p>Suspension may be for one or two market seasons, depending on severity of violation(s). Farmer-vendor will need to reapply for authorization after suspension.</p>

Violation Type	Description	State Agency Action/Penalty
Category IV	Committing fraud or abuse in connection with the FVVs, FMNP or SFMNP/. Providing drugs, alcohol, or cash to a customer for coupons or FVVs. Two or more category III violations.	Violation will result in disqualification from the FVV, FMNP or SFMNP Farmer-Vendor may be required to repay the Alaska WIC Program for improperly redeemed coupons. Disqualification is for two years.

I. Problems or Complaints

A Farmer-Vendor, Farmers' Market Manager, WIC participant, FMNP or Senior participant may report a problem or register a complaint with the WIC Program. To report a problem, call the WIC Program at (907) 465-3100 during regular business hours. We will work to resolve the problem and inform you when it has been resolved.

To file a written complaint, you may download a complaint form from the program website at <http://www.hss.state.ak.us/dpa/programs/nutri/FMNP/FMNPOverview.htm>, or you may request a complaint form from the WIC Program by calling the above telephone number. A copy of the Complaint Form is included as Appendix G of this Handbook.

We will review your complaint, investigate as appropriate, and provide a written response.

J. Discrimination Complaints

“In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability.

To file a complaint of discrimination, write USDA, Director, Office of Civil Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (866) 632-9992 (voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer.”

The State of Alaska is an equal opportunity provider and employer.

K. WIC Program Responsibilities

The Alaska WIC Program will:

- Provide each eligible FMNP participant a one-time benefit of FMNP coupons totaling \$25 (in \$5 increments) that may be redeemed only at WIC authorized farmers' markets or farmstands between June 1 and October 1. Distribution FMNP coupons will be made by the Local WIC Agency.

- Provide each eligible Senior citizen participant SFMNP coupons totaling \$25 (in \$5 increments) that may be redeemed only at WIC authorized farmers' markets or farmstands between June 1 and October 1. Distribution of the SFMNP coupons will be made by a WIC grantee that provides services to seniors.
- Provide each eligible WIC participant a monthly benefit of FVVs (in \$6, \$10, or \$15 increments) that may be redeemed at WIC authorized farmers' markets or farmstands between June 1 and October 1.
- Assure payments (to authorized farmers) of valid FMNP coupons and FVVs deposited at the bank.
- Assure payments (to authorized farmers) of valid SFMNP coupons received by the appropriate senior reimbursement agency.
- Provide training and technical assistance to farmers' market managers, farmers, and farmstands.
- Provide WIC Farmers' Market Posters for the farmers participating in the WIC FMNP and SFMNP.
- Deny payment to a farmer for improperly redeemed coupons and FVVs and/or demand repayment to the WIC Program.
- Provide monitoring of farmers' markets, farmers, and farmstands to assure compliance with 7 CFR 246 (WIC regulations), 7 CFR 248 (FMNP regulations) and 7 CFR 249 (SFMNP regulations).

L. Fair Hearing/Administrative Appeals

The WIC Program will provide written notice of adverse action to be taken during the FMNP Farmer-Vendor or Farmers' Market agreement. No advance notice will be provided for a disqualification due to a conviction of trafficking, or for selling firearms or illegal substances in exchange for FMNP/SFMNP coupons or FVVs.

The State agency will provide Farmer Vendors with not less than 30 days advance written notice by certified mail of adverse action to be taken during the course of the agreement performance period. Adverse action will be implemented after the 30 day advance notice period has elapsed. **No advance notice will be provided for a disqualification due to a conviction of trafficking or selling firearms or illegal substances in exchange for FMNP or SFMNP coupons or FVVs.**

A Farmer Vendor may request an administrative appeal for the following:

- Denial of a Farmer Vendor's, Farmers' Market Manager's, or a Farmstand Operator's application to become an authorized Farmer-Vendor. Termination of the Farmer's Agreement is not subject to appeal.
- Imposition of a penalty.
- Disqualification, (except in case of a reciprocal WIC disqualification as a result of Food Stamp Program disqualification.)

- Denial of reauthorization as a Farmer Vendor at the end of the agreement period.

If the Farmer Vendor chooses to appeal the action, the Farmer Vendor must file a written appeal within 30 days with the:

Department of Health and Social Services
Director, Division of Public Assistance
P.O. Box 110640
Juneau, Alaska 99811

The appeal must include a statement setting forth the State agency action which the Farmer Vendor is contending and the reasons for appealing the action. Evidence supporting the vendor's statement should be included. Requests for Appeal will be reviewed, and hearings conducted, in accordance with State of Alaska administrative hearing regulations. The Farmer Vendor may appeal the decision through the courts.

M. Definitions

AK DHSS stands for Alaska Department of Health and Social Services.

Compliance Buy means a covert, on-site investigation in which a representative of WIC, FMNP and/or SFMNP poses as a participant, parent or caretaker of an infant or child participant, or proxy, transacts one or more food instruments (FIs) or FVVs, and does not reveal during the visit that he or she is a WIC, FMNP and/or SFMNP representative.

Coupon means a coupon, food instrument, warrant, voucher, or other negotiable financial instrument by which benefits under the WIC FMNP and the SFMNP are transferred to participants.

Days means calendar days.

Eligible Foods (FMNP and SFMNP) means fresh, nutritious, unprepared, **locally grown**, WIC approved fruits, berries, vegetables and herbs for human consumption. Eligible foods **may not be processed** or prepared beyond their natural state except for usual harvesting and cleaning processes. Dried fruits and vegetables, honey, maple syrup, cider, juices, nuts, seeds, eggs, meat, cheese and seafood are examples of foods not eligible for purposes of the FMNP and SFMNP.

Eligible Foods (FVVs) means any combination of WIC approved fresh, **frozen or canned** fruits and vegetables. **They do not have to be grown in Alaska.** This includes whole or cut varieties. They may not have any added sugars, fats or oils. Edible blossoms or flowers, **herbs or spices**, fruit leathers or fruit roll-ups, **white potatoes**, vegetable-grain or fruit-nut mixtures, dried fruits and vegetables, canned or dried mature legumes, honey, maple syrup, cider, juices, nuts, seeds, eggs, meat, cheese and seafood are examples of foods not eligible for purposes of the FVV.

Employee Fraud and Abuse means the intentional conduct of a State, local agency or clinic employee which violates WIC Program, FMNP and/or SFMNP regulations, policies, or procedures, including, but not limited to, misappropriating or altering FIs or FVVs, entering false or misleading information in case records, or creating case records for fictitious participants.

Farmer means an individual authorized by the State Agency to sell eligible fruits and vegetables to participants at a farmers' market or farmstand. Individuals who exclusively sell produce grown by

someone else, such as wholesale distributors, cannot be authorized to participate in the FMNP and/or SFMNP. This is also sometimes referred to as Farmer Vendor throughout this document. A Farmer – Vendor authorized under this program may sell only locally grown produce in exchange for FMNP or SFMNP coupons or FVVs. (FVVs may be used in retail stores to purchase produce that is not locally grown, but the farmers markets and farmstands may only sell Alaska grown produce to participants.).

Farmers' Market means an association of local farmers who assemble at a defined location and scheduled time for the purpose of selling their produce directly to consumers.

Farmstand means a location at which a single, individual farmer sells his/her produce directly to the consumer. This is in contrast to a group or association of farmers selling their produce at a farmers' market.

Food List/Participant ID Folder means the Alaska WIC Allowed Food List booklet. The inside back cover of the booklet lists the Participant Name (with enrolled family members) on the right and Authorized Participant Signature and/or Authorized Representative/Proxy Signature on the left. The food list is the participant's only authorized form of identification allowed for transacting Fruit & Vegetable Vouchers (FVV) - \$6.00, \$10.00 or \$15.00.

FMNP stands for Farmers' Market Nutrition Program.

Fruit and Vegetable Voucher (FVV) means a check with a specific dollar value (for example, \$6, \$10, or \$15) which can be used only to obtain fruits and vegetables.

Local Agency means any nonprofit entity or local government agency which issues FMNP/SFMNP coupons and FVVs, and provides nutrition education and/or information on operational aspects of the Programs to eligible participants.

Locally Grown means produce grown only within Alaska's borders.

Participants means pregnant women, breastfeeding women, postpartum women, infants and children who are receiving supplemental foods or FIs or FVVs under the WIC Program and/or FMNP, or low income seniors (age 60 and over) who are eligible for benefits under the SFMNP.

Participant Violation means any intentional 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 WIC Program, FMNP and/or SFMNP. Participant violations include intentionally making false or misleading statements or intentionally misrepresenting, concealing, or withholding facts to obtain benefits; exchanging FVVs, FIs or supplemental foods for cash, credit, non-food items, or unauthorized food items, including supplemental foods in excess of those listed on the participant's FI; threatening to harm or physically harming clinic, farmer or vendor staff; and dual participation.

Proxy means any person designated by a woman participant, or by a parent or caretaker of an infant or child participant, to obtain and transact FIs or FVVs or to obtain supplemental foods on behalf of a participant. The proxy must be designated consistent with the State agency's procedures established pursuant to 7 CFR § 246.12 (r) (1). Parents or caretakers applying on behalf of child and infant participants are not proxies. For the SFMNP, "proxy" means an individual authorized by an eligible senior to act on the senior's behalf according to 7 CFR §249.1.

Senior Citizen Participant means eligible low-income seniors age 60 and over.

SFMNP stands for Senior Farmers' Market Nutrition Program.

USDA stands for United States Department of Agriculture.

WIC stands for Special Supplemental Nutrition Program for Women, Infants and Children.