



Alaska WIC Program Vendor Agreement

October 1, 2015 – September 30, 2018



This Agreement is entered into by and between the Alaska Department of Health and Social Services, Division of Public Assistance, WIC Program, hereinafter referred to as DHSS, and the following store, hereinafter referred to as Vendor:

NAME OF STORE _____ **WIC VENDOR NO.** _____

STORE OWNER(S) (please print legibly)

1. _____
2. _____
3. _____

TYPE OF OWNERSHIP

- | | |
|--|--|
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Corporation |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Limited Liability Corporation |
| <input type="checkbox"/> Commissary | <input type="checkbox"/> Other: _____ |

OWNER MAILING ADDRESS AND TELEPHONE

Primary Owner

Full Legal Name: _____
Mailing Address: _____
City/State/Zip _____
Phone: _____ Email: _____

Secondary Owner

Full Legal Name: _____
Mailing Address: _____
City/State/Zip _____
Phone: _____ Email: _____

Vendor agrees, as evidenced by the signature(s) of the individual(s) named above, who have legal authority to individually or jointly represent the Vendor, to participate in the Special Supplemental Nutrition Program for Women, Infants, and Children (hereinafter referred to as the WIC Program) and agrees to abide by Title 7, Code of Federal Regulation, Part 246, this Vendor Agreement, and all other applicable Federal and state laws, regulations, and rules governing the WIC Program, including any changes made during the agreement period. In consideration of the mutual covenants set forth in this Agreement, DHSS and Vendor agree as follows:

1.0 STORE NAME, PHYSICAL LOCATION, AND CONTACT INFORMATION

This Agreement grants authorization to participate in the Alaska WIC Program to only the individual store listed below:

WIC VENDOR NUMBER _____

Store Name: _____

Physical Street Address: _____

City/State/Zip: _____

Mailing Address (if different): _____

City/State/Zip: _____

Phone: _____ Email: _____

2.0 EFFECTIVE DATE – TERMINATION

2.1 This Agreement is in effect as of the date of DHSS’s authorized agent’s signature and, except where participation under the Agreement may be suspended or terminated under Section 3.0 of the Agreement, shall continue in effect until September 30, 2018, unless superseded by a new or modified Agreement, or until terminated as provided in this paragraph.

2.2 All previous Agreements between Vendor and DHSS concerning the WIC Program are superseded and replaced by this Agreement.

2.3 Subject to opportunity for administrative review as provided in Section 3.0 of this Agreement, this Agreement may be terminated by the Vendor upon 15 days written notice to DHSS, and this Agreement may be terminated for cause by DHSS upon 15 days written notice to the Vendor.

2.4 The Agreement is not transferable, and automatically terminates upon a change of store ownership or upon cessation of store operation. Vendor must notify DHSS in writing of any change of ownership, store name, store location, or permanent store closure at least 30 days prior to the effective date of the change.

2.5 Neither DHSS nor the Vendor has any obligation to renew this Agreement.

2.6 In addition to disqualification or termination for violation of the Agreement, DHSS may terminate this Agreement under any of the following conditions:

2.6.1 If DHSS funding is not obtained or continued at levels sufficient to allow for purchase of the indicated quantity of services.

2.6.2 If statutes, regulations, rules, or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this Agreement.

2.6.3 If any license or certificate required by law or regulation to be held by the Vendor to provide the services required by this Agreement is for any reason denied, revoked, or not renewed.

2.6.4 If a Vendor has not been selected by a participant during a 6-month period. This will be determined by a review of the most current WIC check and Fruit and Vegetable Voucher (FVV) redemption history available.

2.6.5 If DHSS determines that the Vendor has provided false information in connection with its application for authorization.

2.6.6 If a Vendor does not meet current selection criteria during the agreement period, the authorized Vendor will have one opportunity to correct the deficiency within 15 days.

2.7 DHSS shall provide the Vendor with an administrative review in accordance with the provisions of AS 44.64.010 and AS 44.62.330-630.

3.0 VENDOR RESPONSIBILITIES

3.1 Vendor will comply with the Vendor Agreement, Federal and state statutes, regulations, policies, and procedures governing the WIC Program as they pertain to authorized vendors, including any changes made during the agreement period.

3.2 Vendor shall meet the requirements for providing WIC-authorized food items at all times, including:

3.2.1 Vendor shall maintain an adequate stock of authorized WIC foods to meet the needs of the number of WIC participants generally redeeming their benefits at Vendor's store.

3.2.2 Vendor shall not stock less than the minimum required WIC-authorized food items, as required by store size and location, at any time.

3.3 Vendor shall comply with the requirements for accepting WIC checks and FVVs, including, but not limited to:

3.3.1 Only authorized vendors may redeem WIC checks and FVVs for authorized food items.

3.3.2 Vendor shall accept WIC checks and FVVs only from WIC-authorized shoppers.

3.3.3 Vendor shall provide only the authorized supplemental foods listed on the WIC check or fruits and vegetables with a FVV. Vendor may not provide unauthorized food items, cash or credit (including rain checks) in exchange for WIC checks or FVVs.

3.3.4 Vendor shall not collect sales tax on authorized supplemental foods obtained with WIC checks.

3.3.5 Vendor shall not provide refunds or permit exchanges for authorized supplemental foods obtained with WIC checks or FVVs, except for an identical authorized item when the original supplemental food item is defective, spoiled, or has exceeded its "sell by," "best if used by," or other date limiting the sale or use of the food item. An identical authorized supplemental food item means the exact brand and size as the original authorized supplemental food item obtained and returned by the participant.

3.3.6 Vendor shall not issue cash change to an authorized shopper for purchases less than the total face value of a FVV; however, the authorized shopper may, but is not required to, use her/his own funds for purchases in excess of the face value for a FVV. Sales tax may be applied to the amount over the value of the voucher only.

3.3.7 Vendor shall not offer incentive items exclusively to WIC participants. Incentive items or other free merchandise may include, but is not limited to: free or reduced price food or other items, cash, buy one, get one free, buy one, get one at a reduced price, free amounts added to an item by a manufacturer,

manufacturer coupons, store loyalty cards, sales and specials for supplemental food, free or reduced-price services except for the minimal courtesy services of the retail food trade, such as bagging supplemental food for the participant and assisting the participant with loading the supplemental food into her/his vehicle.

3.3.8 Vendor shall offer authorized WIC shoppers the same courtesies offered to other customers.

3.3.9 Vendor shall write the actual purchase amount in the designated box on the front of the WIC check or FVV. (For FVVs, the actual purchase amount or maximum dollar denomination value of the FVV, whichever is less, shall be entered on the face of the FVV,) before the authorized shopper signs the check or FVV. The purchase amount must include only the authorized food items actually provided to the authorized shopper at the time of the transaction. For a FVV, the purchase amount must not exceed the face value of the voucher.

3.3.10 Vendor shall duly witness the authorized shopper's signature at the time of the transaction, in the designated box on the front of any WIC check or FVV accepted for payment and compare that signature with the signature on the WIC ID folder, ensuring that the signatures match.

3.3.11 Vendor shall provide authorized shoppers with a cash register receipt for every WIC purchase, with "WIC" printed or written on the receipt.

3.3.12 Vendor must comply with all procedures for WIC check and FVV transactions as outlined in the Vendor Manual, including:

3.3.12.1 Ask the shopper for the WIC ID folder at the beginning of the purchase.

3.3.12.2 Ensure that the WIC check or FVV is redeemed within the valid between dates.

3.3.12.3 Determine that the WIC check or FVV has not been visually altered.

3.3.12.4 Honor all coupons, specials, and store discount cards.

3.3.12.5 Allow the shopper to transact multiple FVVs in a single purchase of WIC-authorized fruits and vegetables.

3.3.12.6 Enter the actual purchase amount on the WIC check or FVV before the shopper signs the WIC check or FVV.

3.3.12.7 Obtain the shopper's signature on the front of the WIC check or FVV at the time of the transaction.

3.3.12.8 Compare the shopper's signature with the signature on the participant ID folder.

3.3.12.9 Give the shopper a receipt for each purchase.

3.3.12.10 Return the WIC ID folder to the shopper.

3.3.12.11 Stamp the 4-digit Vendor stamp number to each WIC check or FVV before depositing.

3.3.13 Vendor may accept a WIC check or FVV only within the specified time period. As part of the redemption procedure, DHSS may make price adjustments to the purchase amount on WIC checks or FVVs submitted by Vendor for redemption to ensure compliance with the price limitations applicable to Vendor. The maximum amount DHSS will reimburse a vendor for a WIC check is the peer group average of the voucher, plus a DHSS-determined percentage over the average. The FVV maximum is the value printed on the face of the voucher as 600 (\$6.00), 1000 (\$10.00), or 1500 (\$15.00).

3.3.14 When DHSS determines that Vendor has committed a Vendor violation that affects payment to the Vendor, DHSS will delay payment or establish a claim. DHSS may delay payment or establish a claim in the amount of the full purchase of each WIC check or FVV that contained the Vendor overcharge or other error. The Vendor shall have an opportunity to provide justification or correction when DHSS denies reimbursement for a WIC check or FVV or requests payment for an improperly redeemed FVV.

3.3.15 Vendor shall not charge authorized shoppers for authorized foods obtained with WIC checks or FVVs. However, it is permissible for a Vendor to request, but not require, payment over the face value of a FVV. In addition, Vendor shall not seek restitution from an authorized shopper or participant for a WIC

check or FVV not reimbursed or partially reimbursed by DHSS, or for which DHSS has requested payment from the Vendor.

3.3.16 Vendor shall designate one person at each authorized Vendor location to serve as the designated trainer. The designated trainer shall train all checkers, including pharmacy checkers, and other staff involved with WIC transactions, in the handling of WIC checks and FVVs. The Vendor its designated trainer shall promptly inform employees of changes in the WIC Program, including changes to the WIC Authorized Food List. The Vendor shall ensure that the designated trainer and store manager or other management employee participate in training prior to, or at the time of, the Vendor's first authorization and annually thereafter. During the period in which a Vendor Agreement is in effect, DHSS shall conduct at least one interactive training for that Vendor. DHSS shall designate the date, time, and location of the training, except that DHSS shall provide the Vendor with at least one alternate date on which to attend such training.

3.3.17 Vendor shall be accountable for any intentional or unintentional action of its owners, officers, managers, employees, or agents, with or without the knowledge of management, who violate the Vendor Agreement or Federal or state statutes, regulations, policies, or procedures governing the WIC Program.

3.3.18 Vendor shall maintain, for a period of 3 years, purchase and receiving records, including, but not limited to, inventory records showing all wholesale and retail purchases, state and Federal tax returns, and other pertinent records that are necessary to substantiate the volume and prices charged for redeemed WIC checks or FVVs. In the case of retail purchases, Vendor shall provide receipts specifying the authorized food item purchased, quantity, unit price, and date of purchase.

3.3.19 Vendor shall provide DHSS's authorized representative or Federal Government official access to the Vendor's facilities, books, records, and documents at all reasonable times. The Vendor shall provide the above entities and individuals access to WIC checks or FVVs negotiated on the day of review, shelf price records, financial records, and other documents that are pertinent to determining a Vendor's compliance. The Vendor shall also, upon request, furnish to DHSS, within two days, verification of total Vendor purchases of specific items in order to justify amounts claimed as WIC Program purchases.

3.3.20 Vendor shall notify DHSS in writing of any changes in ownership, store name, store location, or permanent store closure at least 30 days prior to the effective date of the change;

- a) In the event of any change in ownership or the legal authority obligating the Vendor, the Vendor Agreement shall be terminated.
- b) In the event of a name change for any store the Vendor shall, within 60 days of the change, ensure that the store's outside sign bears the name as that listed on the Vendor Agreement.
- c) If the Vendor closes the store listed in the Vendor Agreement, the Vendor shall notify DHSS in writing within 15 days of the store's closing date. DHSS will terminate the Vendor Agreement when a store's location changes.
- d) Vendor shall notify DHSS, by no later than 5:00p.m. the next business day, following any changes in store facilities affecting participation, such as remodeling, closure for health code violations, weather or storm conditions, or suspension of the sale of dairy products while a new refrigeration unit is being installed.

3.3.21 In addition to claims collection, the Vendor may be sanctioned for Vendor violations in accordance with DHSS's sanction schedule, as provided in the Vendor Manual, Chapter 6. Sanctions may include disqualification or a civil money penalty in lieu of disqualification. DHSS must provide the Vendor with prior warning that violations have occurred for violations that required a pattern for sanction before imposing such sanctions, unless DHSS determines (on a case-by-case basis) that doing so would compromise the investigation.

3.3.22 A Vendor who has embezzled, willfully misapplied, stolen, or fraudulently obtained DHSS funds, assets, or property is liable for prosecution under applicable Federal, state, and/or local laws.

3.3.23 The Vendor Agreement does not constitute a license or property interest. If the Vendor wished to continue to be authorized beyond the period of its current agreement, the Vendor must apply for reauthorization. If a Vendor is disqualified, DHSS shall terminate the Vendor Agreement, and the Vendor will have to apply in order to be authorized after the disqualification period is over. In all cases, the Vendor's new application will be subject to the current vendor selection criteria.

3.3.24 Vendor must not engage in any conduct that would discriminate against any authorized shopper or participant based on the individual's race, color, national origin, gender, age, or disability. Complaints of discrimination will be forwarded to USDA for follow-up in accordance with 7 CFR § 246.8(a) & (b) and in compliance with the nondiscrimination provisions of Federal nondiscrimination regulations.

3.3.25 Vendor must comply with the vendor selection criteria throughout the agreement period, including any changes to the criteria. Using the current vendor selection criteria, DHSS may reassess the Vendor at any time during the agreement period. DHSS will terminate the Vendor Agreement if the Vendor fails to meet the current vendor selection criteria.

3.3.26 Disqualification from the WIC Program may result in disqualification of a retailer in the Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp Program. Such disqualification may not be subject to administrative or judicial review under SNAP. Disqualification from SNAP will result in disqualification from the WIC Program. Such disqualification is not subject to administrative or judicial review under the WIC Program.

3.3.27 Use of the WIC acronym and logo:

- A. Vendor may use the WIC acronym and logo to:
 - a. Identify the retailer as an authorized WIC Vendor by utilizing the signs by DHSS; the Vendor may propose alternate signage for individual Vendor use to DHSS for review. The size of signs created by the Vendor may not exceed the largest sign provided by DHSS.
 - b. Identify authorized WIC foods by attaching channel strips or shelf talkers provided or approved by DHSS.
- B. Vendors are restricted from using the WIC acronym in their advertising and other promotional materials, and may not use the WIC logo or acronym to:
 - a. Imply that the Vendor is owned or operated by the DHSS-WIC Program by using "DHSS-WIC Program" in whole or in part, or close facsimiles, in the official or business name of the Vendor.
 - b. Identify a particular food as "WIC approved" by attaching or affixing it to a food container.
- C. Vendors may not visit WIC clinic locations to hand out promotional materials, nor is the WIC clinic staff allowed to distribute fliers or promotional materials provided by Vendors.

4.0 DHSS RESPONSIBILITIES

4.1 DHSS will establish procedures to assure, and will provide for prompt reimbursement of Vendor through normal banking channels for all valid WIC checks and FVVs deposited in Vendor's designated business account.

4.2 DHSS may deny payment to the Vendor for improper WIC checks or FVVs deposited, may offset future payments to the Vendor, or require and receive reimbursement from the Vendor for the amounts paid by DHSS to the Vendor on improperly redeemed WIC checks or FVVs and for unsubstantiated volumes of WIC food items. The maximum amount DHSS will reimburse Vendor for redeemed WIC checks will be the peer group average plus a DHSS-determined percentage over the average or the face value for the FVVs. In addition to denying payment or assessing a claim for reimbursement, DHSS may sanction the Vendor for overcharges and other errors in accordance with 7 CFR 246.12 and the penalty and sanction schedule in the Vendor Manual, Chapter 6.

4.3 DHSS will provide Vendor with training and information.

4.4 DHSS will notify Vendor of changes to Federal or state statutes, rules, regulations, policies, or procedures governing the WIC Program before the changes are implemented. DHSS will provide as much notice as possible.

4.5 DHSS must notify Vendor in writing when an investigation reveals an initial incidence of a violation for which a pattern of incidences must be established in order to impose a sanction, before another such incidence is documented, unless DHSS determines, in its discretion, on a case-by-case basis, that notifying the vendor would compromise an investigation.

5.0 DHSS RESERVES THE RIGHT TO

5.1 Monitor Vendor for compliance with this Vendor Agreement and applicable Federal and state statutes, regulations, policies, and rules pertaining to the WIC Program.

5.2 Deny payment, or demand reimbursement for WIC checks or FVVs that are transacted in violation of any of the administrative rules or terms of this Agreement.

5.3 Audit Vendor's financial records to determine if violations of this Agreement have occurred and to identify amounts due DHSS for improperly transacted WIC checks or FVVs.

5.4 Prosecute, under applicable Federal or state laws, any Vendor who has embezzled, willfully misapplied, stolen, or fraudulently obtained DHSS funds, assets, or property.

5.5 Disqualify Vendor from continued participation in the WIC Program, with a minimum of 15 days' written notice, except if Vendor is convicted of trafficking or illegal sales, in which case, disqualification action is immediate upon receipt of a "Disqualification and Termination of Vendor Agreement," if it is determined that Vendor:

5.5.1 Failed to comply with any of the provisions of this Agreement or with any of the statutes or regulations applicable to Vendor's participation in the WIC Program.

5.5.2 Provided false information in its application to participate in the WIC Program.

5.5.3 Is currently disqualified from the Food Stamp Program/Supplemental Nutrition Assistance Program (SNAP).

5.5.4 Has been assessed a civil money penalty in lieu of disqualification from the SNAP.

5.5.5 Has been convicted of a felony related to the operation of the Vendor's business; or

5.5.6 Does not meet current selection criteria.

5.6 Issue revisions to this Agreement to conform with amendments to applicable Federal and state laws, regulations, rules, and policies.

5.7 Pursue any and all legal remedies in the event that Vendor refuses to promptly pay any sums owed to DHSS under this Agreement.

5.8 DHSS will randomly monitor all vendors for compliance. DHSS will also regularly monitor high-risk vendors for compliance. DHSS will identify high-risk vendors by several criteria including, but not limited to, the level and/or severity of suspected overcharges in redeemed WIC checks or FVVs, errors in redeemed WIC checks or FVVs, participant complaints and history of fraud and/or abuse.

5.9 DHSS will terminate a Vendor Agreement when DHSS determines that there is an inappropriate relationship, real or apparent, that jeopardizes the fair and objective administration of the WIC Program between a vendor and DHSS or any of its local agencies.

6.0 CERTIFICATION

Vendor certifies as follows; (please initial)

_____ I have read, understand, and agree to follow all terms and conditions of this Vendor Agreement.

_____ I understand that, as an authorized WIC Vendor, I am agreeing to maintain sufficient stocks of WIC authorized food items for the number of participants generally served by my store, and to maintain at least the minimum required stock on a daily basis.

_____ I also agree to read any amendments or updates to this Agreement and further agree to comply with such amendments or updates if I continue to participate in the WIC Program.

AUTHORIZATION

The undersigned certifies that he/she is the owner or has the legal authority to sign contracts on behalf of the owner that obligates the Vendor to adhere to the terms therein.

Owner and Co-Owner (if applicable):

_____ Name (printed)

_____ Name (printed)

_____ Title (printed)

_____ Title (printed)

_____ Signature

_____ Signature

_____ Date

_____ Date

Authorized Signature for WIC:

_____ Kathleen Wayne, WIC Program Manager

_____ Date

Department of Health and Social Services
Division of Public Assistance
Family Nutrition Services – WIC Program
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