This agreement is entered into by and between the State of Alaska, Department of Health and Social Services (AK DHSS) and the Farmers’ Market/Farmstand/Farmer named above to participate in the United States Department of Agriculture (USDA) and the Alaska State Farmers’ Market Nutrition Program (FMNP) and Senior Farmers’ Market Nutrition Program (SFMNP).

The duration of this agreement shall be for the 2021 Farmers’ Market seasons of June 1 - November 30 unless terminated earlier as provided below.

**It is the purpose of this agreement to:**

1. Provide locally grown, fresh fruits, vegetables, and herbs for currently eligible WIC women, infants and children, and senior citizens in areas where the FMNP and SFMNP are offered.
2. Expand customer base and use of farmer’s markets where consumers can buy directly from the farmer.

**It is therefore mutually agreed that:**

1. The Farmers' Market/Farmstand/Farmer shall furnish the necessary personnel and services and otherwise do all things necessary for, or incidental to, the performance of conditions set forth below.
2. The Farmers’ Market/Farmstand/Farmer authorized to participate in the Alaska WIC Program, FMNP, and SFMNP agrees to all of the following conditions and rules.

**Deposit deadlines are as follows:**

1. All Farmers’ Market coupons must be deposited into the authorized Farmers’ Market/Farmstand/Farmer’s bank no later than November 15. This includes WIC and Senior Farmers’ Market Nutrition Program coupons.

**Definitions:**

**AK DHSS** stands for Alaska Department of Health and Social Services. This is also sometimes referred to as the State Agency throughout this document.

**Compliance Buy** means a covert, on-site investigation in which a representative of WIC, FMNP and/or SFMNP poses as a program participant or proxy, transacts a purchase with program coupons, 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 (FI), warrant, voucher, or other negotiable financial instrument by which benefits under the FMNP and SFMNP are transferred to participants.
Community Supported Agriculture (CSA) consists of a community of individuals who pledge support to a farm operation so that the farmland becomes, either legally or spiritually, the community’s farm, with the growers and consumers providing mutual support and sharing the risks and benefits of food production. CSA’s are not authorized for the FMNP or SFMNP in the State of Alaska.

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

Eligible Foods for purchase with Senior and Farmers Market Nutrition Program coupons (SFMNP/FMNP) means fresh, nutritious, unprepared, locally grown, approved fruits, 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. Ineligible foods include dried fruits and vegetables, maple syrup, cider, juices, nuts, seeds, eggs, meat, cheese and seafood. Honey is approved only for purchase with SFMNP coupons.

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, entering false or misleading information in case records, or creating case records for fictitious participants.

Farmer (or Grower) means an individual authorized to sell eligible fruits, vegetables and herbs to participants at a farmers' market, farmstand or farm. Individuals or organizations which exclusively sell produce grown by someone else cannot be authorized to participate in FMNP and SFMNP. For purposes of this agreement, this includes the term “Farmer” as defined in WIC Farmers’ Market Nutrition Program (FMNP), 7 C.F.R. § 248.2, and Seniors FMNP, 7 C.F.R. § 249.2, and in Special Supplemental Nutrition Program for Women, Infants and Children (WIC), 7 C.F.R. § 246.2 as well as the term “producer” as that term is used in C.N.A. 42 U.S.C. § 1786.

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 farm or 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.

FMNP stands for Farmers' Market Nutrition Program.

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

Locally Grown means produce grown only within Alaska borders. Under no circumstances can produce grown outside of Alaska be considered eligible for the FMNP and SFMNP.

Participants means pregnant women, breastfeeding women, postpartum women, infants and children who are receiving supplemental foods or Food Instruments under the FMNP; and low income seniors age 60 or older, who are eligible to receive SFMNP benefits.
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 SFMNP. Participant violations include intentionally making false or misleading statements or intentionally misrepresenting, concealing, or withholding facts to obtain benefits; exchanging 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 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 §249.2.

Senior 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.

The State of Alaska, Department of Health and Social Services shall:

1. Provide each eligible FMNP participant a one-time benefit of FMNP coupons that may be redeemed only at qualifying sales locations between June 1 and October 31. Distribution of the FMNP coupons will be made by Local Agencies.
2. Provide each eligible senior participant SFMNP coupons that may be redeemed only at qualifying sales locations between June 1 and October 31. Distribution of the SFMNP coupons will be made by Distribution Agencies.
3. Assure payments (to authorized farmers) of properly processed and valid FMNP and SFMNP coupons are submitted to the farmers’ bank account on file.
4. Deny payment to a farmer for improperly redeemed coupons and/or demand repayment for improperly reimbursed coupons.
5. Provide training to authorized farmers’ market managers, farmstands and farmers.
6. Provide Accepted Here signs to be displayed by authorized farmers at point of sale(s).
7. Provide monitoring of authorized 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).

The Farmers’ Market shall:

1. Provide FMNP and SFMNP information and training to returning farmers and new farmers requesting authorization to participate in these programs.
2. Provide the State of Alaska WIC program the location and scheduled dates and hours of market operation.
3. Provide the State agency with a regularly updated list of all farmers at the authorized market who accept SFMNP and FMNP coupons in exchange for their produce, and their dates of participation.
4. Provide the State agency a report of annual market expenses no later than October 31st of each year. Report should indicate any and all expenses paid using federal funds.

The Farmers’ Market/Farmstand shall:

1. Be permanently located in an area where the local WIC agency and/or local senior distribution agency is/are able to provide the necessary services required to administer the FMNP and SFMNP.
2. Be located in an area that serves enough eligible FMNP and SFMNP participants to justify the need for the farmers’ market or farmstand.
3. Include enough authorized farmers participating in the market or if a farmstand, enough variety and quantity of produce to meet the demand of eligible FMNP and SFMNP participants in the area it serves.

The Farmers’ Market/Farmstand/Farmer shall:

1. Be open for business at a minimum of three hours on at least one consistent day of the week for at least eight weeks between June 1 and October 31. Location used to meet this requirement must also be consistent.
2. Must have authorized sales locations staffed and may not operate on the self-serve or honor system.
3. Accept training relating to the FMNP and SFMNP procedures and provide training to any employees and/or volunteers on such procedures. Markets, farmstands and farmers in their first year of FMNP and/or SFMNP authorization are required to participate in one-on-one training with the State of Alaska prior to participation in the programs.
4. Assure that FMNP and SFMNP coupons are redeemed only after receiving a copy of this agreement, a farmer number stamp, and a program Accepted Here sign to display verifying that s/he is authorized to participate in the current year. Accept FMNP and SFMNP coupons only at authorized sales locations.
5. Display the Accepted Here sign at each authorized sales locations and times when selling eligible produce.
6. Assure that FMNP and SFMNP coupons are redeemed only for eligible, unprocessed, fresh, fruits, vegetables and herbs. Alaskan honey is also eligible for purchase with SFMNP coupons. Refer to the definitions for eligible foods within this agreement.
7. Do not provide unauthorized food items, nonfood items, cash, or credit (including rain checks) in exchange for purchases.
8. Accept FMNP and SFMNP coupons only within the valid market dates of June 1 through October 31 of the year listed on the coupon and/or voucher.
9. Offer customers the full amount of produce for the value of each coupon. Do not provide change.
10. Allow FMNP and SFMNP participants to pay the difference if the total of their purchase is over the amount printed on the coupon. Clients may use any payment method offered to other customers, including cash, check, credit or debit card, or SNAP EBT card.
11. Allow FMNP and SFMNP participants to combine multiple coupons in a single transaction.
10. Do not charge sales tax in conjunction with any FMNP or SFMNP transaction, except for any portion that exceeds the amount printed on the coupon.
11. Assure that the farmer number is stamped in the appropriate area on the FMNP or SFMNP coupon before redeeming it.
12. Deposit FMNP and SFMNP coupons at their bank no later than November 15 of the current year.
13. Provide equitable treatment of FMNP and SFMNP participants, including the availability of produce that is of the same quality and at the current price or less as that sold to other customers.
14. Provide Alaska DHSS with any information available which the Farmers’ Market or Alaska DHSS deems necessary to track the impact of the FMNP and SFMNP on the market, farm or farmstand, including information required for annual reports to the USDA, Food and Nutrition Services.
15. Comply with applicable state and federal regulations pertaining to Civil Rights and Nondiscrimination.
16. Cooperate with Alaska DHSS staff in overt and covert monitoring for compliance with FMNP and SFMNP procedures.
17. Be accountable for actions of market and farm employees and volunteers in the provision of foods and related activities.
18. Pay the Alaska DHSS for any FMNP and SFMNP coupons transacted in violation of this agreement.
19. Not seek restitution from FMNP and SFMNP participants for coupons not paid or partially paid by Alaska DHSS.
20. Safeguard confidential FMNP and SFMNP participant information.
21. Notify the Alaska DHSS when and if a farmers’ market/farmstand/farmer ceases operation prior to the end of the authorization period.
22. Submit an annual Information Update form provided by the State of Alaska WIC program by the stated deadline.

Any violation of these rules may result in the Alaska DHSS disqualifying the farmers' market/farmstand/farmer from the program. The farmers' market/farmstand/farmer may be subject to sanctions in addition to, or in lieu of, disqualification. For a list of sanctions please refer to the FMNP/SFMNP Sanction Schedule at the end of this agreement. The Alaska DHSS shall notify the farmers' market/farmstand/farmer in writing 15 calendar days prior to the disqualification effective date. The State agency may deny payment to the farmer and/or farmers’ market or roadside stand for improperly redeemed SFMNP or FMNP coupons or may establish a claim for payments already made on improperly redeemed coupons and/or vouchers. The State agency may disqualify a farmers’ market, farmstand and/or a farmer for program abuse with a minimum of 15 days’ advance written notification.

A farmers’ market/farmstand/farmer which commits fraud, abuse, or engages in other illegal activity is liable to prosecution under applicable federal, state or local regulations. Farmers' market/farmstand/farmer may appeal an action of the State agency denying its application to participate, imposing a sanction, or disqualifying it from participating in the FMNP/SFMNP if received within 30 calendar days of notification. Expiration of an agreement shall not be subject to appeal through the State agency. All appeals must be in writing, and addressed to: State of Alaska WIC Farmers' Market Nutrition Program, PO Box 110612, Juneau, Alaska 99811. The State of Alaska Farmers’ Market Nutrition Program maintains no obligation to reinstate a farmers’ market/farmstand/farmer agreement after disqualification. The farmers’ market/farmstand/farmer understands that they may reapply to participate in the program as stipulated in the disqualification notification.

Any of the parties to this agreement shall have the right to terminate the agreement with 30 days’ notice upon submission of a written notice to the other parties. Termination notices or other correspondence from the farmers’ market/farmstand/farmer shall be addressed to: State of Alaska Farmers’ Market Nutrition Program, Department of Health and Social Services, Division of Public Assistance, Family Nutrition Programs-WIC, PO Box 110612, Juneau, Alaska 99811.
Order of Precedence:
In the event of an inconsistency in this agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: 1) Applicable federal and state statutes and regulations, 2) Special Terms and Conditions, 3) Any other provisions of the agreement whether incorporated by reference or otherwise.

This agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or to bind any of the parties. In witness whereof, the undersigned have affixed their signatures in execution thereof.

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<tr>
<th>Farmers’ Market, Farmstand or Farm Representative</th>
<th>State of Alaska Department of Health and Social Services</th>
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In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA. Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint_filing_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. This institution is an equal opportunity provider.
## SFMNP and FMNP Sanctions

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<th>Violation Type</th>
<th>Description</th>
<th>State Agency Action/Penalty</th>
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| **Category I** | Failure to display a FMNP Poster.  
Accepting FMNP or SFMNP coupons for products other than eligible foods. (See Category IV for issues concerning drugs, weapons, alcohol, or cash.)  
Depositing/cashing coupons/vouchers without a valid farmer-vendor number stamped in the appropriate box. (First violation) | Violation will result in verbal or written warning, with corrective action requested.  
Additional training may be provided on-site or by teleconference. |
| **Category II** | Providing false information on the Farmer Application about the location and sales operations of the farmer.  
Failure to provide updated sales location information by the annual deadline.  
Accepting FMNP or SFMNP coupons before authorization is complete.  
Accepting FMNP or SFMNP coupons at an unauthorized farmers’ market, or other unauthorized premises.  
Operating an authorized sales location on the self-service or honor system, i.e., not staffing the sales location.  
Attempting to collect or collecting sales tax on produce sold to FMNP and SFMNP participants (coupon portion only).  
Refusal to accept valid FMNP and/or SFMNP coupons for eligible products.  
Two or more Category I violations. | Violation will result in a written notification of noncompliance from the State Agency.  
The farmer-vendor may be required to participate in special training to resolve the violation. |
| **Category III** | Failure to sell any produce grown during the agreement year.  
Charging FMNP or SFMNP participants more than other customers.  
Seeking restitution from program participants for checks/vouchers not paid by the Dept. | Violation will result in termination of Farmer-Vendor agreement and disqualification from the FMNP and SFMNP for a full market season.  
Farmer-vendor will need to reapply for authorization after suspension. |
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<td>Discriminating or hostile actions against a FMNP or SFMNP participant.</td>
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<td>Providing money back to participants where the amount of the purchase is less than the coupon.</td>
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<td>Receiving reimbursement or cashing a FMNP or SFMNP coupon for a grower who is not authorized; or otherwise bartering for any coupons the non-authorized grower has accepted.</td>
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<td>Failing to allow, comply with, or cooperate in the Department’s inspections and monitoring.</td>
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<td>Any noncompliance with the Program Requirements not specifically identified as a Category I, II or IV violation.</td>
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<td>Three or more Category I violations or two or more Category II violations.</td>
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<td>Category IV</td>
<td>Committing fraud or abuse in connection with the FMNP or SFMNP.</td>
<td>Violation will result in termination of Farmer-Vendor agreement and disqualification from the program. Farmer-Vendor may be required to repay the Alaska WIC Program for improperly redeemed coupons. Disqualification is for two complete S/FMNP seasons.</td>
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<td>Continuing to participate in FMNP and/or SFMNP during a period of suspension or disqualification.</td>
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<td>Providing drugs, weapons, alcohol, or cash to a customer for coupons or FVV's.</td>
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<td>Two or more category III violations.</td>
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