

Vendor ID _____



TWO-YEAR VENDOR PARTICIPATION AGREEMENT

Period of Performance

Effective: 1 October 2021

Terminating On: 30 September 2023

APPENDIX I

Rhode Island WIC Vendor Agreement

A. Specific Terms and Conditions

Special Conditions

- a. The word Vendor, as used in this Agreement, means and includes the Vendor specified in WIC Vendor Application, or the signature page of this Agreement and/or any person or entity defined in Appendix I, B, Article 2.
- b. In entering into this Agreement, the Vendor certifies that it is not presently disqualified from participation in any Food and Nutrition Service (FNS) program, such as SNAP or that has been assessed a SNAP civil monetary penalty for hardship and the disqualification period that would otherwise have been imposed has not expired or disqualified from WIC, nor is it currently under sentence or sanction such as a civil money penalty in lieu of disqualification or have a settlement fine for any violation of the rules or regulations of any FNS program. This Agreement shall become terminated and null and void if the Vendor signing same is currently disqualified or under sentence or sanction for such violations unless needed for participant access.
- c. The Rhode Island Department of Health (RIDOH) reserves the right to declare this Agreement null and void if it is determined that the Vendor has misrepresented or falsified any information contained in this Agreement or submitted in connection with the WIC Vendor Application (WIC Form 31) for being accepted or authorized for vendor participation in the WIC Program, and/or upon discovery, if the Vendor committed violations of the rules and regulations of any FNS Program prior to the completion of this Agreement.
- d. The Vendor certifies that neither vendor nor any of its principals have been debarred or suspended from participating from any transactions involving federal or state (any state) funds or other assistance with grantees and subgrantees of federal or state funds.
- e. If Vendor is a pharmacy, the Vendor is only allowed to transact WIC benefits for formula or medical foods in the amount, form, size and type specified on the benefit list. The Vendor shall obtain and make available said product(s) within two working days, only at a designated pharmacy redemption point, such as sales register or counter, approved by RIDOH.
- f. A vendor that is a pharmacy is prohibited from transacting WIC benefits for food items other than infant formulas.
 - i. The Vendor must break package/case to complete the amount specified on the benefit list.
 - ii. If Vendor shall have any of the listed products offered for sale in a customer accessible location, Vendor shall display instructions informing WIC participants to redeem WIC benefits for said products at the designated pharmacy WIC redemption site. Such instructions shall be legible and prominently displayed at the display location(s) of the product(s).
- g. The Point of Sale (POS) terminals used to support the WIC Program shall be deployed in accordance with the minimum lane coverage provisions of § 246.12(z)(2). The State WIC Office may remove excess terminals if actual

redemption activity warrants a reduction consistent with the redemption levels outlined in § 246.12(z)(2)(i) and (z)(2)(ii).

- h. The vendor shall not charge to the State WIC Office any third-party commercial processing costs and fees incurred by the vendor from EBT multi-function equipment. Commercial transaction processing costs and fees imposed by a third-party processor that the vendor elects to use to connect to the EBT system of the State shall be borne by the vendor.
- i. The State WIC Office shall not pay or reimburse the vendor for interchange fees related to WIC EBT transactions.
- j. The State WIC Office shall not pay for ongoing maintenance, processing fees or operational costs for vendor systems and equipment used to support WIC EBT after the statewide implementation of WIC EBT, unless the equipment is used solely for the WIC Program or the State WIC Office determines the vendor using multifunction equipment is necessary for participant access.
- k. The vendor must comply with the Operating rules, standards and technical requirements established by the State WIC Office.

APPENDIX I

B. General Terms and Conditions

Article 1 - Parties to the Agreement

This Agreement is made by and between the Rhode Island Department of Health (hereinafter RIDOH), which has been authorized by the United States Department of Agriculture to administer the Special Supplemental Nutrition Program for Women, Infants and Children (WIC Program) (hereinafter, WIC or Program) in Rhode Island, and the Vendor specified on the signature page of this Agreement and/or in WIC VENDOR APPLICATION -WIC 31 (hereinafter Vendor).

This Agreement does not constitute a license or a property interest.

Article 2 - Definition of Vendor (also referred to as Applicant or Applicant Vendor)

"Vendor" is defined as the business or any person, firm, corporation, officer, owner or manager or any entity who/which has or has had a controlling or partnership interest in, or managerial control of the business with respect to the business' WIC vendor application or re-application for participation in the Program, and in compliance with any Food and Nutrition Service (FNS) Program's rules, regulations or procedures.

The Vendor must meet the requirements stated in the Rhode Island Department of Health Special Supplemental Nutrition Program Plan of Operation and Administration and State Operations Manual.

Article 3 - Period of Performance

- (a) This Agreement shall be effective when signed by both parties on the date as specified in this Agreement on the front signature page and unless extended by RIDOH, shall expire on the termination date as specified in this Agreement's front signature page. It is understood and agreed by and between the parties that this Agreement covers participation by the Vendor for the period specified in this Agreement on the signature page.
- (b) Neither RIDOH nor the Vendor has an obligation to renew this Agreement. Authorization for any period subsequent to termination of this Agreement may particularly be withheld when the Vendor has failed to comply with the terms of this Agreement or with WIC Program rules and regulations, or procedures; or when there is evidence of violations or sanctions of or from any FNS Program pertaining to the Vendor; or when the Vendor has engaged in dishonest, unfair or deceptive business practices, or when the vendor fails to meet any applicable vendor selection criteria.
- (c) The expiration of authorization of this contract is not subject to appeal.
- (d) The Agreement may be authorized for a two-year period or less. Vendor performance shall be the criteria by which the Agreement period shall be determined (See Vendor Policies V-1 & V-2). New Vendors shall receive an Agreement for one year or less to the end of the federal fiscal year (September 30). At RIDOH's sole option, a new Vendor may receive an extension of up to one year from the end of the prior contract period. Some existing vendors may receive a one-time extension of up to one year to expedite processing.

Article 4 - Authority and Severability

The Vendor agrees to abide by all State and Federal laws, rules, and regulations, and shall be subject to the regulatory authority of RIDOH. Nothing in this Agreement is intended to be contrary to State or Federal laws. In the event of conflict between terms of this Agreement and any applicable State or Federal law, that State or Federal law will supersede the terms of this Agreement. In the event of conflict between State and Federal law, Federal law will govern.

If any provision of this Agreement, or of any rules, regulations, policies, procedures or directives made or issued thereunder, shall be held invalid by a court of competent jurisdiction, the remainder of the Agreement and any rules, regulations, policies, procedures or directives issued thereunder shall not be affected thereby.

Article 5 - Nontransferability

This Agreement is applicable solely to the originally contracted location and owner stated in this Agreement. This Agreement is nontransferable. This Agreement is automatically null and void if there is a modification or change of ownership, change of operations and/or control of the store or the Vendor ceases operations at the stated location. Also, if the ownership is under a "Purchase or Sales" Agreement, a temporary ownership, "trial" ownership, try out, etc. this agreement will become automatically terminated and null and void. The Vendor shall notify RIDOH in advance in writing, in the event of any such change. In the event of change of location, and/or no longer in control, this Agreement shall be terminated and null and void, unless it is amended by mutual written consent before the event occurs. The Vendor agrees not to transact WIC at any location other than that specified in this Agreement. The Vendor shall also notify RIDOH in writing of any change in the business name. If Vendor is a combined Grocery/Pharmacy, Vendor shall notify RIDOH in advance if either the Grocery or the Pharmacy operation ceases. In the event of such cessation of operation, WIC Vendor authorization or the ceased operation is terminated.

Article 6 - Termination of Agreement

- a) Either party may terminate this Agreement without cause upon thirty (30) days written notice. In the event of termination by either party, any property procured under this Agreement will, at the option of RIDOH, become its property. Notwithstanding the above, the Vendor will not be relieved of liability to RIDOH for damages sustained by RIDOH by virtue of any breach of this Agreement by the Vendor and RIDOH may withhold payment to the Vendor for the purpose of set off until such time as the exact amount of damages due to RIDOH from the Vendor is determined.

If the vendor has withheld, misrepresented or falsified any information required by the application process, the application will be denied and/or any subsequent Vendor Agreement relating thereto will be immediately rendered terminated and null and void, upon discovery.

If the vendor has participated in any actions which are violations of Program rules or transacted WIC prior to authorization, (in accordance with Vendor Compliance, V-4) the application will be denied and/or any subsequent Vendor Agreement relating thereto will be immediately rendered terminated and null and void, upon discovery.

The vendor must comply with the vendor selection criteria throughout the agreement period, including any selection criteria in effect at the time of the reassessment. Using the current vendor selection criteria (See Appendix III), RIDOH may reassess the vendor at any time during the agreement period. RIDOH will terminate the vendor agreement if the vendor fails to meet the current vendor selection criteria.

The above mentioned thirty (30) day written notice notwithstanding, RIDOH expressly reserves the unilateral right to terminate this Agreement effective immediately upon notice to the Vendor that the funding underlying the participation of RIDOH has been limited or curtailed. Further, the Vendor agrees to hold RIDOH harmless from any and all liability that may arise under this Agreement and shall not be entitled to receive any compensation for revenues lost as a result of any termination.

- (b) The Vendor agrees that continued participation in the WIC Program is dependent upon the Vendor's maintenance of the required minimum inventory and upon the active distribution of WIC Allowed Foods. In the event that the Vendor's inventory and/or active distribution becomes reduced and/or insignificant, as defined by RIDOH, RIDOH reserves the right to review the Vendor's participation and failure to meet minimum stock will result in termination of the WIC Vendor agreement.
- (c) The Vendor agrees that Vendor must be an *active* authorized Supplemental Nutrition Assistance Program (SNAP) vendor and must maintain such active authorization during the entire period of this Agreement, as a condition of WIC Program vendor participation and that if at any time the Vendor is not authorized to accept food benefits in the SNAP, this Agreement shall be terminated and null and void and Vendor's participation in the WIC Program shall be terminated effective on the date SNAP authorization stopped/ended and/or is ordered to stop accepting food benefits. Vendor shall remain terminated/disqualified from WIC participation until SNAP active authorization is restored, and Vendor applies for WIC authorization as a new vendor and meets all WIC Program Vendor Selection Criteria and is approved by RIDOH for WIC participation. Vendor agrees to notify the RIDOH WIC Office of any termination, disqualification or other loss of SNAP active authorization no later than the next business day following such end of SNAP authorization. If Vendor transacts WIC following end of SNAP active authorization, Vendor shall reimburse to RIDOH the monies received from RIDOH since the time the SNAP active authorization ended.

Vendor understands and agrees that in the event vendor is disqualified and/or remains under charges review from

the SNAP, Vendor shall be disqualified from the WIC Program for the same length of time as the SNAP disqualification, and may begin at a later date than the SNAP sanction. This shall not be subject to administrative or judicial review under the WIC Program. If the Vendor is assessed a Civil Money Penalty (CMP) by the SNAP, the Vendor may be disqualified from WIC (See Article 8 below).

Vendor understands and agrees that in the event Vendor is disqualified from the WIC Program for the violations set forth in federal SNAP regulations 278.6,(e)(8) Vendor shall be disqualified from the SNAP for the same period of time as the WIC disqualification. This shall not be subject to administrative or judicial review under the SNAP Program(d). Notwithstanding provisions of this Agreement which require a thirty (30) day notice of termination, RIDOH reserves the right to terminate this Agreement immediately upon substantiation of violations of Program rules, regulations or terms of this Agreement.

- (e) With the exception of the above provision for immediate termination, either RIDOH or the Vendor may terminate this Agreement for cause after providing 15 days advance written notice.
- (f) The Vendor understands and agrees that violations of Program rules and procedures or the terms of this Agreement which demonstrate a management or company policy or pattern of operation or a failure of management by the owner or operator of the vendor which would indicate a potential for risk of vendor noncompliance by company owned or operated stores or other stores with substantial shared ownership (more than ten percent interest by any shared owner, or partner or shared management) may jeopardize the participation of other stores with the same owner(s), operator(s) or manager(s). Such violations shall be grounds for termination and disqualification of the Agreement(s) or denial of participation of such other stores for the same length of time.
- (g) The Vendor understands and agrees that in the event Vendor becomes an Above 50% vendor (A50%V), according to vendor policy, the Vendor will be terminated from WIC program.

Article 7 - Disqualification

RIDOH may disqualify the Vendor's participation for Program abuse or violations of Program rules, regulations and/or the terms of this Agreement, in accordance with the provisions of federal regulations set forth in 7 CFR 246.12 (k) and/or RIDOH WIC Program policies and procedures V-1 and V-4. Vendor shall reimburse to RIDOH the monies received from RIDOH since the time the violation started. A vendor shall not be entitled to receive any compensation for revenues lost as a result of disqualification.

In the event that the Vendor is sanctioned for abuse or violations, RIDOH will notify USDA of such sanction. Disqualification for WIC Program abuse as defined in Section 278.6(e)(8) of the SNAP Regulations shall result in withdrawal of SNAP authorization.

RIDOH may also notify the Rhode Island Lottery Commission of such sanction. The Lottery Commission may review the circumstances and determine if it should terminate authorization as a Lottery agent.

Article 8 - Vendor Integrity and Sanctions

In addition to claims collection, the vendor may be sanctioned for vendor violations in accordance with the RIDOH sanction schedule as described in Vendor Policies. Sanctions may include administrative fines, disqualification, and civil money penalties instead of disqualification. RIDOH must notify a 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 RIDOH determines that notifying the vendor would compromise an investigation.

Any disqualification, sentence, civil money penalty, settlement fine or other penalty or sanction existing, or imposed on or agreed to by the Vendor for the violation of the rules of any other USDA program will be grounds for appropriate sanction. Disqualification, under charges review, notice to stop accepting food benefits, removal or deletion from any USDA program, shall be grounds for termination of this Agreement. In the event Vendor receives a money penalty or probation RIDOH shall terminate this Agreement unless it determines that such termination is not in the interest of the effective and efficient administration of the Program.

If the Vendor is sanctioned by any local, state or federal authority for any violation of business or food delivery or government ethics laws, rules or regulations; or for violation of any law where the unlawful conduct of the vendor relates to the business, the operation thereof or the use of the business premises or poses a risk of harm to RIDOH, safety or welfare of any WIC enrollee, the Vendor shall be disqualified from WIC for at least the term of the sanction or sentence from such other authority. Where no sanction term is set for such violation, the Program may review the

Vendor's participation, and terminate such participation if the violation is such that the Vendor would no longer be a benefit to the Program.

If evidence exists that the Vendor has committed acts which may be detrimental or pose a risk of harm to RIDOH, safety or welfare of any WIC enrollee (e.g. illicit drug sale, presence of illicit drugs on premises, possession or use of dangerous weapons, threat of or committing physical violence against a customer or any WIC Program or RIDOH staff or official, etc.), or which compromises or attempts to compromise the ethical conduct of persons engaged in State Business, the Vendor's participation in the Program may be terminated pending a hearing on the case, based upon the evidence.

The Vendor shall not knowingly participate, directly or indirectly, in any scheme or design developed to circumvent or violate Program rules, regulations or the terms of this Agreement.

The Vendor agrees to correct any violation or abuse of the Program to the satisfaction of RIDOH. The Vendor shall notify RIDOH if any officer, owner, partner or manager, or the business, is sanctioned in any manner as described above or convicted of any felony in any jurisdiction.

Article 9 - Hearing

In the event of disqualification of the Vendor under this Agreement, or denial of application to participate, the Vendor may request an administrative appeal to present information on its behalf. A RIDOH Hearing Officer in accordance with relevant provisions of Rhode Island General Laws, and applicable state and federal rules and regulations shall conduct said appeal. If the Vendor is not authorized to accept food benefits and/or participate in the SNAP, RIDOH shall terminate the vendor agreement. Vendor from participation in the WIC Program. This shall not be subject to administrative or judicial review under the WIC Program

Article 10 - WIC Transactions

RIDOH agrees to permit the Vendor to transact WIC Benefits, which have been transacted by the Vendor in accordance with the terms of this Agreement, and any directives of RIDOH. The entire WIC transaction must occur at the vendor's location listed on the WIC Vendor Agreement.

Article 11 - Allowable Costs

In executing this Agreement, the Vendor is serving as an independent contractor under a Federal contract between the Federal Government and RIDOH. The Vendor specifically agrees to abide by all applicable Federal requirements for vendors and independent contractors receiving Federal funds, including, but not limited to, those requirements set forth or referenced in the master grant or contract relating to this Agreement and in the following documents which are incorporated by reference hereto: 45 CFR Part 74, Administration of Grants; and OMB Circular 102, Uniform Administration Requirements for Grants-In-Aid to State and Local Governments; and 7 CFR Part 246, Special Supplemental Nutrition Program for Women, Infants, and Children, and the State Plan for the WIC Program.

State or local taxes on items purchased with WIC benefits are not allowable costs.

Article 12 - Payments

All payments are provisional pending final audit by appropriate State or Federal officials. The Vendor agrees to be liable for audit exceptions that may arise from examination of expenditures or redemptions claimed by the vendor.

Article 13 - Interest of Vendor

- (a) The Vendor covenants that it presently has no pecuniary interest and will not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. The Vendor further covenants that, in the performance of this Agreement, no person having any such interest will be employed.
- (b) The Vendor agrees that the Vendor, or any employee or whole or partial owner thereof, shall not perform as the authorized alternate shopper or proxy for any WIC participant.
- (c) The Vendor is not owned, in whole or substantial part, or controlled by a State or local agency official employed in or administering the WIC Program, in whose service area the Vendor is located.

- (d) Vendor shall never advertise WIC retail food or pharmacy operations/services on the property of or sidewalk bounding a local WIC Program, clinic or site.
- (e) Vendor shall never advertise, promote, or identify retail food or pharmacy operations/services to the WIC Program or, a local WIC Program clinic or site or, except for simple statements of WIC authorization and eWIC acceptance, to WIC clients or the public.
- (f) Vendor shall respond to the application offer for re- authorization in the WIC Program for the following fiscal year, within the allowed period time specified on the application package in order to be considered to be re-authorized.

Article 14 - Copyright

No reports or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Vendor.

Article 15 - Publicity

The Vendor shall give due credit to RIDOH and appropriate Federal or State agencies. RIDOH shall be credited on all media announcements, billboards, and materials produced or developed under the scope of this Agreement.

Article 16 - Civil Rights and Non-Discrimination

- (a) The Vendor agrees to abide by applicable provisions of Title VI of the Civil Rights Act of 1964, as amended, and all requirements imposed by the regulations of USDA (7 CFR Part. 15, et seq.); Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975 (P.L. 94-135, Title III); all other applicable Federal and State Laws and Executive Orders relating to equal employment opportunities; and the WIC State Plan of Operation and Administration.
- (b) The Vendor asserts that no person shall on the grounds of race, color, ancestry, national origin, religion, sex, age, or handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activities undertaken on behalf of this Agreement. In addition, the Vendor agrees to establish a procedure for complaint from any person who believes that such discrimination is being practiced relating to this Agreement.

Article 17 - Federal Funding

Other conditions of this Agreement notwithstanding, it is understood and agreed by the Vendor that funds payable to the Vendor under this Agreement are derived from Federal sources. The master grant made to RIDOH by the Federal Government governing activities under this Agreement is, therefore, made a part of this Agreement.

Article 18 - Modification of Agreement

The Vendor agrees to adhere to any and all such provisions, requirements or obligations as may subsequently be imposed by statute or regulation or by the appropriate State or Federal authority, and any such provision, requirement or obligation is made a part hereof as amendment(s).

This Agreement may also be amended by mutual written consent.

Article 19 - Penalties for Fraud or Abuse

A vendor who commits fraud or abuse of the program is liable to prosecution under applicable Federal, State or local laws. Under 246.18 of the regulations, those who have willfully misapplied, stolen or fraudulently obtained WIC funds of over \$100 shall be subject to a fine of not more than \$11,000 or imprisonment for not more than 5 years or both, if the value of the funds is \$100 or more. If the value is less than \$100, then the penalties are a fine of not more than \$1,000 or imprisonment for not more than 1 year or both.

Article 20 - Confidentiality

The vendor agrees not to disclose information about Program participants except to persons directly connected with the administration or enforcement of the Program.

APPENDIX II

Work Program Specifications

A. Functions and Responsibilities of the Vendor

Article 1 - Inventory

- (a) RIDOH reserves the right to review the Vendor's inventory and pricing of WIC foods to determine:
 - 1) the Vendor's eligibility to participate in the WIC Program and to enter into this Agreement and
 - 2) the continued participation of the Vendor in the WIC Program.
- (b) The Vendor agrees to provide the required WIC foods as stipulated in Federal and State regulations and directives and to maintain the inventory of foods for purchase by recipients in accordance with the most current WIC Allowed Foods list and WIC Vendor Minimum Inventory Requirements in effect.

Article 2 - Training and Vendor Responsibility for Employees

- (a) The Vendor agrees that the Vendor, the manager of the store, store staff and/or an authorized representative approved by RIDOH, shall participate in WIC training programs, as directed by RIDOH, and shall not have more than two (2) opportunities per request, as scheduled by RIDOH. A Vendor designated by RIDOH as either high volume or at potential for risk shall participate in additional training programs. Failure to participate in such training shall be grounds for termination of this Agreement. Active WIC vendors shall have up to two times to comply with WIC's training request.
- (b) The Vendor shall inform, train and monitor Vendor staff on Program requirements and the Vendor shall be accountable for actions of any persons engaged in the handling and processing of WIC transactions or provision of supplemental foods on behalf of the Vendor.
- (c) The Vendor shall always designate a person on site to cooperate, provide information, records, and transact WIC and to participate in vendor monitoring related on-site training.

Article 3 – WIC Transactions

The Vendor agrees to transact and process WIC benefits only in accordance with the following terms:

- (a) The Vendor shall not give cash or credit, unauthorized food items, non-food items or rain check type privilege for WIC benefits; nor shall the Vendor provide refunds or permit exchanges for authorized supplemental foods obtained with WIC benefit, except for exchanges of an identical authorized supplemental food item.
- (b) Maintain a certified automation in-store system to accept and process the WIC Card benefits using either stand beside or integrated solutions that perform online WIC Card transactions in accordance with the published rules, policies, specifications, procedures, WIC EBT Operating Rules and WIC EBT Technical Implementation Guide.
- (c) Update software as required by changes to the WIC EBT Operating Rules and Technical Implementation Guide.
- (d) Accept responsibility for any transaction of WIC benefits when an approval has been received from the Rhode Island WIC Program host processor or for the incorrect transaction of WIC benefits.
- (e) Ensure the most current Rhode Island WIC Program APL is installed in the store's POS system and is being used for processing WIC transactions.
- (f) Never ask the WIC participant for identification. The PIN, along with a valid WIC card, is the only identification needed.
- (g) Never mandate the WIC participant to provide store personnel with the benefit balance receipt prior to purchase.
- (h) Scan the actual item's Universal Product Code (UPC) that is affixed to the item, unless the item being purchased is a fresh fruit or vegetable. The retailer must never scan codes from UPC codebooks, other products, or reference sheets. The retailer is prohibited from scanning any UPC as a substitute, replacement or otherwise that is not actually affixed to the actual item being purchased by the WIC participant using a WIC card.

- (i) Provide only currently authorized WIC food in exchange for valid benefits issued by the WIC Program. Sell only WIC foods to WIC participant that are available in their current benefit balance AND that are approved on the RI WIC Program APL.
- (j) WIC participant must receive the food item that corresponds specifically to the UPC code scanned by the vendor during the WIC card transaction.
- (k) Provide the WIC participant with a receipt at the end of the WIC transaction, which at a minimum, shows the date of the transaction, product(s) purchased, and the remaining balance of available WIC benefits.
- (l) Provide the capacity for WIC participant to retrieve their currently available benefits balance upon request without requiring a purchase made.
- (m) Do not charge the WIC participant any fee, either directly or indirectly, arising out of or associated with operating, maintaining, or processing WIC transactions.
- (n) Keep all WIC participant information confidential, do not confiscate the WIC card, or ask for or enter the cardholder's PIN.
- (o) Allow the purchase of the WIC foods printed in the WIC Approved Food Guide. A WIC participant may purchase any of the approved brands on the WIC Approved Food Guide. A WIC Approved Food Guide must be kept at the checkout lane or cash register. The store must not restrict WIC purchases to only their store brands unless item in question falls under the "Store Brand or Least Expensive Brand" rule category.
- (p) WIC participants do not have to purchase all of their benefits in one shopping trip. A WIC participant is allowed to purchase as much or as little food from their remaining benefit throughout the month.
- (q) Do not allow store credit, IOU's or rain checks in exchange for items not taken at the time of the transaction.
- (r) Allow participants to pay the difference between the purchase price and the maximum amount of the fruits and vegetables benefits. The difference may be paid with cash, credit/debit card, EBT, or other forms of payment that your store allows.
- (s) All food that was purchased must be taken at the time of the transaction.
- (t) Do not have a checkout lane designated only for WIC transactions.
- (u) Never claim reimbursement for the sale of an amount of a specific WIC product that exceeds the store's documented inventory of that WIC product for a specific period of time.
- (v) RIDOH WIC Program will collect prices through vendor redemptions. Vendor shall charge prices that are fair and competitive for the store type. Prices charged by a vendor that are higher than the peer group average will be reduced to the not-to-exceed (NTE) amount during the WIC transaction. A vendor's failure to remain price competitive is cause for termination of the vendor agreement. This applies even if actual payments to the vendor are within the maximum reimbursement amount.
- (w) The Vendor shall not perform any WIC transactions during any period of disqualification and/or after termination of this Agreement. RIDOH may refuse to reimburse for any WIC transaction during any such period.

Article 4 - Fiscal Terms

- (a) The Vendor shall charge only for WIC Allowed Foods received by the recipient only, and for the types and up to the quantities specified on the benefit list, except as noted in (c) and (e) below.
- (b) The Vendor shall not charge a WIC participant, parents/caretakers of infant and child participants, or proxies, money for approved WIC foods obtained with the WIC benefits, except when the purchase price for fruits and vegetables exceed the maximum benefit allowed. In addition, the vendor may not seek restitution from these individuals for food items not paid or partially paid by the State agency.

- (c) The Vendor agrees to provide supplemental foods at the current price or at less than the current price charged to other customers. The Vendor further agrees not to charge more than the "shelf" or "sale" price for the WIC Allowed or Contract Brand foods, whichever is less; nor charge more than the said current price for the Allowed or Contract Brand food and quantity listed on the benefit list and provided to the recipient. The value of coupons and discounts shall be deducted from the price charged.

Free bonuses - Should a Vendor and/or a manufacturer offer a "buy one/get one free", "buy one, get something else free or an amount of money off something else", the store shall honor the WIC benefits in the "buy" portion of the offer. Whatever other items, products, discount on other items or products, extra quantities, or other promotions are being given is a manufacturer, chain, or store cost and is not considered as part of the participant's WIC transaction with the Vendor. This applies even if the free item exceeds the quantity on the benefit list or if it is a non-WIC item. If the vendor uses store cards for special prices, offers or discounts, the vendor MUST KEEP an extra card available at the register to use for purchases of WIC shoppers who does not have a card. The Vendor shall honor the coupon or offer as described above. This shall be consistent with (c) above and Article 5(e) below.

- (d) The Vendor agrees that charges for WIC foods shall not be excessive, as compared with those charged by all other Rhode Island WIC vendors.

The Vendor is solely responsible for the business operation function of determining competitive prices, which are not excessive, in relation to other food retailers, for WIC foods. It is not the responsibility of RIDOH to provide information about prices charged by other vendors.

- (e) The Vendor agrees to maintain the selling price to cost price ratio (i.e., "mark-up" amount added to cost price to determine the selling price) for WIC Allowed or Contract Brand food items at a level equal to or less than the ratio (i.e., "mark-up") for similar non WIC Allowed or Non Contract Brand food items (Example: A Non Contract brand of infant formula is considered similar to the Contract brand of the same approximate container size, base ingredient (milk or soy) and form (powder, concentrate etc).

Exceptions to this article and (c) above shall be allowed only for manufacturer or producer required or subsidized special promotions for manufacturer or producer specified items and/or period of time.

- (f) Subject to the notice, review and appeal provisions of WIC Vendor Policies V-4, Vendor Compliance, and V-11, the Vendor agrees to refund to RIDOH any amount determined by RIDOH to be an improper charge with respect to the Program's rules, regulations, or operating procedures. RIDOH may deny payment to the Vendor for improper WIC transactions or may demand refunds for payments already made on improper WIC transactions or may offset future payments to the Vendor for the amount of the claim or may enact an Automated Clearing House (ACH) debit against the Vendor's bank account.
- (g) Subject to said WIC Vendor Policies, the Vendor shall reimburse RIDOH, or RIDOH may enter an ACH debit, for all bank fees and charges and such other reasonable costs incurred by RIDOH stemming from improper WIC transaction practice.
- (h) The retail price charged to the general public and/or any lower price charged the WIC Program must be displayed on each item or in a location in clear view of customers.
- (i) The Vendor shall be responsible to make certain that the total cost on any WIC food item does not exceed the lesser of the posted shelf, or "sale" prices of the prices charged to non-WIC customers.
- (j) WIC transactions must be made through the store's business bank account that is reported to Conduent or the store's third-party processor (TPP). Report any change of bank or bank account in writing to Conduent or the third party processor.

Article 5 - General Provisions

- (a) The vendor shall maintain full and complete records related to the vendor's participation in the WIC Program. Such records shall include, but are not limited to, price, inventory, delivery, cost or payment related records for WIC allowed foods and similar non WIC allowed food items and monthly and annual total food sales. Such records shall be retained for a minimum of three years following the date of WIC transaction to which the records pertain. If any litigation, claim, negotiation, audit or other action involving the records has been started before the end of the three year period, the records shall be kept until all issues are resolved, or until the end of the regular three year period, whichever is later.
- (b) The Vendor shall provide to RIDOH and WIC Program officials access to any and all records described above. Inventory invoices must be maintained for all WIC food purchases and include at a minimum the date of purchase, the seller, the WIC vendor who made the purchase, the quantity and type of WIC food purchased, unit price, net price, and any discount, credit or additional charges.
- (c) The Vendor shall make available for inspection a current health inspection report or, if a pharmacy, a Pharmacy License, issued by RIDOH.
- (d) The Vendor shall offer WIC participants the same courtesies as offered to other customers. This shall include, but not be limited to, honoring manufacturer or store coupons or free offers as long as a WIC item and quantity is part of the purchase. (See Articles 4 & 6 above.)

Article 6 - Inspection

- (a) The Vendor agrees to cooperate with Program officials in all matters related to monitoring the Vendor's compliance with Program rules or regulations or the terms of this Agreement or to Program vendor management activity.
- (b) The Vendor agrees to allow on-site inspections and monitoring at any and all times by Rhode Island Department of Health personnel, its designate(s), and Federal officials and to provide access to any information and records related to the vendor's participation in the WIC Program and to permit the copying of any such records.
- (c) The Vendor agrees to maintain and have available for inspection a copy of this Agreement and notices, procedures, and letters pertaining to the WIC Program, at the location specified on this Agreement signature page.
- (d) Neither the Vendor nor any employee, staff or agent shall misrepresent, falsify, or withhold any information, WIC records needed by RIDOH to assess, review, or monitor the Vendor's participation or operations with respect to the WIC Program.

B. Functions and Responsibilities of RIDOH

Article 1 - Policy

RIDOH shall provide Vendors with information pertaining to Vendor related requirements, responsibilities, policies, procedures, and changes thereof.

Article 2 - Technical Assistance

RIDOH shall, at its option, or upon request of the Vendor as determined appropriate by RIDOH, send RIDOH staff to provide technical assistance to the Vendor.

Article 3 - Fiscal Responsibility

RIDOH shall ensure that WIC transactions, properly conducted by the Vendor, will be processed for payment through the banking system, or RIDOH may enter an ACH credit to Vendor's bank account for the proper value of any WIC transaction; RIDOH shall validate the Vendor's assigned number and WIC authorization.

Article 4 - State - Federal Cooperation

In compliance with Federal and State laws and regulations, RIDOH shall make effort to ensure that the Vendor complies with all FNS or WIC Program rules, regulations and policies and RIDOH shall, upon discovery of irregularities or determination of abuse, notify appropriate State and Federal agencies of the facts, when RIDOH deems it appropriate. In the event of prosecution of the Vendor by the State and/or Federal officials, RIDOH shall make any relevant files, records etc. available to prosecutors.

Other Documents and materials

The following documents were communicated to vendors and are available at our Website: <https://health.ri.gov/programs/wic/for/vendors/> and therefore, is part of this Agreement:

1. WIC PROGRAM Vendor Application for the period of this Agreement.
2. Any WIC PROGRAM Vendor Price List submitted in connection with this Agreement or in applying for this Agreement, prior to or during this Agreement.
3. WIC PROGRAM Vendor Application/Reapplication Instructions issued by RIDOH in connection with applying for this Agreement.
4. WIC PROGRAM Vendor Policies:
5. Bulletins & Forms
 - ✓ Bulletin State of Emergency
 - ✓ Bulletin Above 50% Vendor no longer authorized
 - ✓ Bulletin Vendors offering Incentive Items
 - ✓ Bulletin Submitted Prices
 - ✓ Bulletin WIC Antifraud Law
 - ✓ Bulletin Manufacturer/store coupon/Loyalty Cards
 - ✓ Bulletin Least Expensive Brands
 - ✓ Bulletin Competitive Prices
 - ✓ Bulletin WIC Secret Shopper
 - ✓ Bulletin Regular Formula & WIC Exempt Formula and Medical Food
 - ✓ Bulletin SNAP Reciprocal Disqualifications
 - ✓ Minimum Inventory Requirements
 - ✓ Rhode Island WIC Approve Food Guide

APPENDIX III

VENDOR SELECTION CRITERIA

Authorized vendors must meet the selection criteria at all times throughout the authorization period, including any selection criteria in effect at the time of the reassessment. The Agreement will be terminated if any one of these criteria, or any criteria in effect at the time of the reassessment is not met. Applicant and renewing vendors who do not meet the following criteria will not be selected for authorization:

1. A vendor must submit a complete application package before the last acceptable deadline date. If incomplete at the time of the initial submission, a vendor will receive 15 days from the date of notification of the deficiency to cure such deficiency, and to file a completed application package.
2. Falsification of any information.
3. A vendor must attend all assigned mandatory training sessions.
4. A vendor must not be expected to derive more than 50% of its annual food sales revenue from acceptance of WIC benefits.
5. A vendor must post the product prices that are charged. Prices must be posted on the store shelf in front of the item, on the product itself or, clearly visible sign attached to the door of a cooler or freezer in front of the food items. When prices change, all signs must be updated, in addition to registers and all stand beside units.
6. A vendor must have and maintain the established WIC Program Minimum Inventory Requirements.
7. A vendor must meet established competitive pricing criteria for their peer group.
8. A vendor must be currently authorized by SNAP and must provide its FNS number.
9. A vendor must not be currently disqualified from SNAP or must not have been assessed a SNAP civil money penalty for hardship, and the disqualification period that would otherwise have been imposed has not expired.
10. A vendor applicant or current owners, officers or managers must not have been convicted of nor had a civil judgment entered against them within the last six (6) years for any activity indicating a lack of business integrity. Activities include but are not limited to, fraud, antitrust violation, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, receiving stolen property, making false claims, or obstruction of justice.
11. A vendor must purchase infant formula only from the WIC Program's list of wholesalers, distributors, retailers and manufacturers. This list is included and sent to authorized vendors on an annual basis.
12. Vendors must maintain minimum activity (as determined by WIC Program) in WIC redemptions.
13. A vendor must not offer, or intend to offer, incentive items solely to WIC customers, and must offer WIC customers the same courtesies that are offered to non-WIC customers.
14. A vendor with an integrated cash register system must be EBT capable, meaning the vendor must demonstrate the Point-of-Sale (POS) system can accept WIC purchases, obtain a benefit balance, and complete a WIC transaction accurately and securely. WIC vendors must be able to exchange updated files with the state pursuant to State agency EBT system requirements.
15. A vendor who will use a single function stand beside machine must demonstrate EBT capability and obtain equipment from the EBT processor (currently Conduent) through application process overseen by the State.
16. Not providing information as requested by the WIC Program within the time frame stated, including but not limited to proof of training staff, submitting questionnaires, surveys, invoices, sales and use tax documents for the time period stated.

If the WIC Program determines that authorization of the vendor is necessary in order to provide adequate participant access, an exception may be made to the selection criteria. However, vendors must meet the Minimum Inventory Requirement to become authorized and at all times throughout the authorization period to remain authorized.

