

**WIC VENDOR AGREEMENT
BETWEEN THE STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH
OFFICE OF PUBLIC HEALTH
CENTER FOR COMMUNITY AND PREVENTIVE HEALTH
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)
628 N. 4th Street, Bin #4, Baton Rouge, LA 70802**

AND

Legal Name of Store: _____

Name Store is Doing Business As (D/B/A): _____

Store Physical Address: _____

Store City, State Zip: _____

This WIC Vendor Agreement, hereinafter referred to as the “Agreement,” is entered into between the State of Louisiana, Department of Health, Office of Public Health, Center for Community and Preventive Health, Special Supplemental Nutrition Program for Women, Infants and Children (WIC), (“LA WIC” or “State agency” or “WIC”) and the above-named vendor (“Vendor”).

Purpose: The purpose of LA WIC is to provide WIC Approved Food Item(s) and nutrition education at no cost to eligible participants. LA WIC serves as an adjunct to good health care during critical times of growth and development, to prevent the occurrence of health problems and improve the health status of WIC Participants.

Mission: The mission of the Bureau of Nutrition Services is to improve health outcomes and reduce health disparities for eligible women, infants, children, and seniors by providing access to supplemental foods, nutritional education, breastfeeding support, and referrals to social and health services. LA WIC operates a retail food delivery system as defined in 7 CFR §246.12. This delivery system enables WIC Participants to purchase WIC Approved Food Item(s) at the WIC authorized store of their choice. This Agreement memorializes the requirements for the Authorized WIC Vendor’s successful participation in LA WIC. It articulates the responsibilities of each party including Vendor monitoring, Vendor sanctions, and conditions under which the Agreement may or shall be terminated. The Authorized WIC Vendor, in accepting the terms of this Agreement, agrees to support the objectives of LA WIC and to participate in the delivery of WIC Approved Food Item(s) at the lowest possible competitive price for the benefit of all individuals authorized to participate in LA WIC. Therefore, once approved, the Authorized WIC Vendor is required to maintain its qualifications and meet all federal and state WIC requirements in order to maintain this Agreement in force for its entire term.

Now, therefore, in consideration of the mutual promises and covenants herein contained, the parties agree as follows:

1. General Provisions

1.1. **Effective Date:**

1.1.1. Initial Authorization: If this Agreement applies to a vendor applying for an initial authorization, the Agreement is effective as of the date indicated by the State Agency.

1.1.2. Reauthorization: If this Agreement is for the reauthorization of a current Vendor, the Agreement is effective on October 1st of the current year or the date signed by the State agency, whichever is later.

1.2. Expiration Date: This Agreement will expire on _____, unless it is terminated by either party pursuant to this Agreement or applicable federal and/or state laws and regulation.

1.3. Subsequent Agreement Changes: LA WIC reserves the right to amend this Agreement upon fifteen (15) days' written notice to the Authorized WIC Vendor; if such changes are not agreeable to the Authorized WIC Vendor, the Authorized WIC Vendor may choose to voluntarily terminate this Agreement with written notice to LA WIC within fifteen (15) calendar days.

1.4. No license or property interest: This Agreement does not constitute a license or a property interest. If the Vendor wishes to continue to be an Authorized WIC Vendor beyond the period of this Agreement, the Vendor must reapply for WIC Authorization. If the Authorized WIC Vendor is subsequently disqualified, LA WIC will terminate this Agreement, and as of the date of termination, the Vendor may not conduct WIC Transactions or accept WIC Benefits, and may not reapply for authorization until the disqualification period has ended. In all cases, the Authorized WIC Vendor's new application will be subject to LA WIC's current Vendor Rules and Regulations (Provisions that control Vendor participation within LA WIC including but not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual.

1.5. Vendor Selection Criteria: Authorized WIC Vendors must meet all LA WIC Vendor Selection Criteria and any Vendor Limiting Criteria, if applicable as well as Vendor Rules and Regulations (Provisions that control Vendor participation within LA WIC including but not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual).

1.6. Non-Transferability: This Agreement is not transferable. Any change in ownership or rights of ownership, cessation of operation, or relocation of a store beyond two (2) walking miles terminates this Agreement and the Vendor's authorization to operate as an Authorized WIC Vendor is ended.

1.7. Non-renewal: Neither party has any obligation to renew this Agreement.

1.8. Funds Limitation Policy: Payment obligation by LA WIC is contingent upon the availability of Federal or State funds allocated for payment of such an obligation. If funds are not available for continuance of service, this Agreement shall become void, and services shall be terminated by LA WIC. LA WIC shall notify the Authorized WIC Vendor at the earliest possible time of any service that will or may be affected by lack of availability of Federal or State funds.

- 1.9. **Nondiscrimination:** Parties agree to comply with the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Parts 15, 15a and 15b of Title 7 of the Code of Federal Regulations, Age Discrimination Act of 1975 and section 504 of the Rehabilitation Act of 1973, and U.S. Department of Agriculture (USDA), Food and Nutrition Service (USDA/FNS) instructions, to ensure that no otherwise qualified person be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination in any manner on the basis of race, color, national origin, sex, age, or disability.
- 1.10. **Severability:** Any provision of this Agreement is severable if that provision is in violation of the laws of the State of Louisiana or the United States, or becomes inoperative due to changes in State and Federal law, or applicable State or Federal Regulations.
- 1.11. **Entire Agreement:** The Authorized WIC Vendor agrees that the current Agreement supersedes all previous Agreements, negotiations, and all other communications between the parties with respect to the subject matter of the current Agreement.
- 1.12. **Governing Law:** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to R.S. 39:1551-1736; rules and regulations; executive orders; standard terms and conditions, and specifications listed in the RFP (if applicable); and this Agreement.
- 1.13. **Venue:** Venue for any action brought with regard to this Agreement shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana or an appropriate venue, as designated by the State agency.
- 1.14. **Countersignature:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

2. The State Agency herein after referred to as LA WIC Agrees to:

- 2.1. **LA WIC Changes:** Provide fifteen (15) days' written notice to the Authorized WIC Vendor of any changes to the Vendor Rules and Regulations (Provisions that control Vendor participation within LA WIC including but not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual). If such changes are not agreeable to the Authorized WIC Vendor, the Vendor may choose to voluntarily terminate this Agreement with written notice to LA WIC within fifteen (15) calendar days.
- 2.2. **Expiration of Agreement:** Provide the Authorized WIC Vendor with at least fifteen (15) calendar days' advance written notice of the expiration of the Vendor Agreement.
- 2.3. **Training:** Provide Annual Training for the Vendor, to include one interactive training session at least every three (3) years.
- 2.4. **Routine Monitoring:** Monitor the Authorized WIC Vendor, as required, for compliance with LA WIC requirements.
- 2.5. **Compliance Investigations:** Conduct Compliance Buys and Inventory Audits of Authorized WIC Vendors, as required, for compliance with LA WIC requirements.
- 2.6. **Sanctions:** Sanction the Authorized WIC Vendor for failure to comply with LA WIC requirements in accordance with the Sanction Schedule in the Vendor Rules and

Regulations (Provisions that control Vendor participation within LA WIC including but not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual).

- 2.7. Notice of Violations.** Notify the Authorized WIC Vendor in writing when a Compliance 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 LA WIC determines, in its discretion, on a case-by-case basis, that notifying the Vendor would compromise an investigation. Notification will not be provided for a pattern of claiming reimbursement for the sale of an amount of a WIC Approved Food Item(s) at the category level that exceeds documented inventory.
- 2.8. Administrative Reviews:** Arrange for requested administrative reviews, as established in the Vendor Guide and Policy Manual.
- 2.9. Materials:** Provide updated materials to the Authorized WIC Vendors via the LA WIC Authorized Vendor Hub, available at <https://ldh.la.gov/wicvendor>.
- 2.10. Peer Groups:** Assign Authorized WIC Vendors to appropriate peer groups as established in the Vendor Guide and Policy Manual and inform the Vendor of its peer group assignment.
- 2.11. WIC Transaction Reimbursements:** Process all timely and valid reimbursement claims from the Authorized WIC Vendor for each specific WIC Approved Food Item(s) transacted by the Authorized WIC Vendor and properly submitted for redemption and reimbursement in compliance with Vendor Rules and Regulations (Provisions that control Vendor participation within LA WIC including but not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual.) LA WIC may adjust the Vendor's claims for reimbursement in accordance with LA WIC's cost containment system as approved by USDA/FNS.
- 2.12. Payment Delay, Denial and Claims:** LA WIC may delay payment, deny payment, or establish a claim against the Authorized WIC Vendor when LA WIC determines the Vendor has committed a violation or error that affects the payment to the Authorized WIC Vendor. LA WIC will establish a claim in an amount up to the full purchase price of each WIC Transaction that contains an overcharge and/or other error(s) that the Authorized WIC Vendor has not justified or corrected.
- 2.13. Offset, Post-Recoupment, and Debt Recovery:** At its sole discretion, LA WIC will offset any unpaid claim against the Authorized WIC Vendor from the Vendor's future redemptions or refer such amounts to the Office of Debt Recovery.

3. AUTHORIZED WIC VENDOR Agrees to:

- 3.1. Applicable Law & LA WIC Materials:** Comply with the terms of this Agreement as well as the following, which are incorporated herein by reference, and any changes made thereto during the Agreement period:
 - 3.1.1.** all applicable Federal law, statutes and regulations governing LA WIC, including but not limited to 42 U.S.C. §1786, 7 CFR Part 246;
 - 3.1.2.** all applicable State law, statutes and regulations governing LA WIC, including but not limited to La. R.S. 46:972 and the Louisiana Administrative Code (LAC) 48:V.4101-4513;

- 3.1.3. LA WIC's Policy Manual ("Policy Manual");
- 3.1.4. the LA WIC Vendor Guide, attached as Exhibit 1 to this Vendor Agreement ("Vendor Guide");
- 3.1.5. the WIC Approved Food List (WIC-23), the WIC Authorized Product "UPC/PLU" List file (APL), and the EBT WIC Transaction Procedures (WIC-33); and
- 3.1.6. all other memos, formal instructions, reference and guidance materials, forms, and terms of participation issued to Authorized WIC Vendors by USDA/FNS or LA WIC.

3.2. LA WIC EBT Systems:

- 3.2.1. Maintain an LA WIC Level 3 (L3) certified, in-store WIC EBT-capable Electronic Cash Register (ECR) system in a manner necessary to ensure system availability for LA WIC redemption processing during all hours the store is open, system compliance with LA WIC policies and procedures, and ensure the accuracy of data.
- 3.2.2. Maintain and operate its WIC EBT system in compliance with the USDA/FNS WIC Operating Rules for EBT ("Operating Rules") which are incorporated herein by reference, The Technical Implementation Guide, the Vendor Rules and Regulations and any changes made thereto during the Agreement period (See <https://www.fns.usda.gov/wic/wic-electronic-benefits-transfer-ebt-guidance>, the Vendor Guide, and the Policy Manual). In the event these are amended, the Authorized WIC Vendor agrees to make changes to maintain compliance.
- 3.2.3. Request LA WIC recertification of the Authorized WIC Vendor's in-store ECR system if Vendor alters/revises the system in any manner that impacts the EBT redemption/claims processing system after initial certification. In the event an in-store WIC EBT ECR system is reconfigured or modified by the Vendor and/or other parties in such a way that the WIC in-store system no longer exhibits the required system accuracy, integrity, or performance required and under which requirements the WIC in-store system was certified, LA WIC will not accept a claim file from the system. The Authorized WIC Vendor is liable for the costs of all recertification events needed to return the WIC in-store system for all outlets covered by this Agreement to full compliance with LA WIC's system requirements. Failure to seek recertification when the Vendor's system is altered or revised will subject the Authorized WIC Vendor to the financial liabilities described in Section 2.13 of this Agreement and/or termination of this Agreement.
- 3.2.4. Use self-checkout technology at cash registers only once the self-checkout system has been certified by LA WIC.
- 3.2.5. Deploy point of Sale (POS) terminals used to support the Program, whether single-function equipment or multi-function equipment, in accordance with the minimum lane coverage provision of 7 CFR §246.12(z)(2).
- 3.2.6. Demonstrate its capability to accept WIC Benefits electronically prior to authorization, and comply with WIC Electronic Benefit Transfer (EBT) operating rules, standards and technical requirements.

- 3.3. Reimbursements for EBT System Costs:** If the Authorized WIC Vendor accepted reimbursement from LA WIC for the installation of a commercial EBT ECR System and within twelve (12) months of the EBT certification date the Vendor is terminated from LA WIC or ceases LA WIC operations, the Authorized WIC Vendor must reimburse LA WIC the pro rata share of the original purchase amount received from LA WIC (the pro rata straight line unused portion of the twelve (12) months since the stand-beside POS system was certified).
- 3.4. Ongoing EBT System Maintenance Not Provided:** LA WIC will not pay for ongoing maintenance, processing fees or operational costs for Authorized WIC Vendor systems and equipment used to support WIC EBT. If an Authorized WIC Vendor is necessary for participant access and cannot accept WIC benefits electronically, LA WIC may reimburse the Vendor for the purchase of a stand beside Point of Sale (POS) system.
- 3.5. WIC EBT Transactions, Processing & Procedures:**
- 3.5.1.** The Authorized WIC Vendor shall process WIC transactions only during the period of authorization within the effective dates of the Vendor Agreement.
 - 3.5.2.** Adhere to WIC EBT Card Processing, Transaction, and Dispute Procedures (See Vendor Guide and Policy Manual) which are incorporated herein by reference, and any changes made thereto during the Agreement period. Ensure all cashiers are trained in the LA WIC EBT card transaction processes and procedures.
 - 3.5.3.** Accept WIC EBT Transactions only from WIC Participants, parents, or caretakers of infant and child WIC Participants, or proxies, as indicated by entry of a valid PIN. (See Vendor Guide).
 - 3.5.4.** Accept and redeem WIC Benefits in accordance with the procedures set forth in the Vendor Guide, WIC EBT Transaction Procedures, and the Policy Manual including any revisions of supplemental documents issued by LA WIC, including, but not limited to
 - 3.5.4.1.** Allow only those WIC Approved Food Items specifically included on the WIC Participant's WIC EBT card.
 - 3.5.4.2.** Ensure WIC Participants receive the WIC Approved Food Item(s) that corresponds to the specific UPC/PLU code scanned by the Authorized WIC Vendor during the transaction.
 - 3.5.4.3.** Scan (or manually enter) the actual UPC code that is affixed to the item actually being purchased by the WIC Participant.
 - 3.5.4.4.** Do not scan any UPC code that is not affixed to the actual item being purchased by the WIC Participant, or any UPC code as a substitute, replacement, or otherwise not actually affixed to the actual item being purchased by the WIC Participant.
 - 3.5.4.5.** Ensure the price affixed to the scanned UPC code in the POS system is not greater than the price displayed on the package, container, shelf, or other signage in the store for the purchased item. The Authorized WIC Vendor is also responsible for updating price changes in the POS system including but not limited to changes due to sales or other promotions as set forth in the Vendor Guide and Policy Manual.

- 3.5.5. Submit WIC Transaction redemption batch files no more often than once every 24 hours nor less frequently than the 15th day of the month following the month in which the transaction occurred.
 - 3.5.6. Be fully responsible for any fees associated with processing a WIC Transaction including any adjustment or rejection of a WIC Benefit transacted by the Authorized WIC Vendor.
 - 3.5.7. Connect the Authorized WIC Vendor's ECR system to the State agency's WIC EBT processor/banking system at least once each forty-eight (48) hour period for the purpose of claim submission and downloading of the current Hot Card List file, Error file, Auto-Reconciliation (settlement) file, and the WIC Authorized Product "UPC/PLU" List file.
 - 3.5.8. Accept financial liability for WIC EBT benefit redemptions resulting from hot card transactions if the Authorized WIC Vendor has NOT connected to the State agency's WIC EBT processor/banking system within a contiguous forty-eight (48) hour period of time and updated the Hot Card List file information.
 - 3.5.9. Submit any justification to LA WIC, correct any processing error(s), or correct any overcharges or other errors (i.e., return any reimbursement(s) for WIC Transaction(s) to LA WIC (via payment or offset)) within thirty (30) days of written request from LA WIC.
 - 3.5.10. Dispute redemptions using the method and timeframe established by LA WIC. (See EBT Transaction Dispute Form, Vendor Guide, and Policy Manual).
- 3.6. Provision of Invoices, Records and Other Information:** Provide all invoices, records, and other information and documentation, as requested by LA WIC (including its authorized personnel and any designees ("Designees")), USDA/FNS, or the Comptroller General of the United States by due dates established by the entity making the request. Maintain, during and after any WIC Authorization, for a period of four (4) full Federal fiscal years after the date the record was created and upon request, provide to LA WIC paper or electronic records used for State or Federal tax reporting purposes and other LA WIC records including: WIC Transaction records, inventory records showing all WIC purchases, wholesale, in the form of invoices that identify the Vendor's name, date of purchase, Supplier's name, invoice number, WIC item size, quantity and brand, if applicable, of each specific WIC Approved Food Item (s) purchased (Note: Vendors must purchase infant formula only from a source that appears on the [LA WIC Infant Formula Supplier List \(Supplier List\)](#)), books of accounts, shelf price records, records of total food sales revenue, based on the definition of [SNAP-eligible food items](#), which must be verifiable or documented; and other pertinent documents.
- 3.6.1. An Authorized WIC Vendor that fails to purchase infant formula from a source on the Supplier List is in violation of vendor selection criteria. Authorized WIC Vendors must provide infant formula to WIC Participants only in exchange for WIC Benefits specifying infant formula.
 - 3.6.1.1. Any invoices submitted by the Authorized WIC Vendor not meeting the criteria in provision 3.6 and 3.6.1, above, shall be excluded from the inventory audit calculation and could lead to required recoupment from the vendor and/or sanctions. LA WIC may refer Authorized WIC Vendors that submit invoices from

improper Suppliers (a Non-Licensed Supplier) to Sanitarian Services.

- 3.7. Access to Tax Information:** At the request of LA WIC and/or its Designees, Authorized WIC Vendor agrees to make available all tax information including but not limited to federal, state, and local tax information as well as any supporting documentation. The Authorized WIC Vendor also agrees to sign appropriate releases for LA WIC's access to the same.
- 3.8. Information Sharing:** LA WIC may share information obtained from the Authorized WIC Vendor's participation in LA WIC with Federal, State, and local law enforcement agencies and Federal and State tax authorities for the purposes of eligibility determination, law enforcement, and collection of forfeitures, recoupments, and forfeiture assessments.
- 3.9. Routine Monitoring, Compliance Investigations and Announced/Unannounced Visits:** Allow LA WIC and/or its Designees to monitor the Authorized WIC Vendor for compliance with any Vendor Rules and Regulations (Provisions that control Vendor participation within LA WIC including but not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual). Moreover, the Vendor shall provide LA WIC and its Designees access to WIC Transaction records and invoices.
- 3.10. Price Adjustments:** Acknowledge and understand that LA WIC will make price adjustments to the purchase price of WIC Transactions submitted by the Authorized WIC Vendor for redemption to ensure compliance with all price limitations, Not-to-Exceed Amounts (NTEs) and maximum allowable reimbursement levels (MARLs) applicable to Vendor as part of the redemption process.
- 3.11. Automated Clearing House (ACH) Authorization:** ACH transactions are electronic transfers of funds between banks and other companies. As part of this Vendor Agreement, Vendor authorizes LA WIC to pay for services and obligations enumerated in the WIC Vendor Agreement using the ACH Network. Generally, these payments will be in the form of ACH credits to the Authorized WIC Vendor's account. Moreover, the Vendor authorizes LA WIC to originate debit entries without notice to correct erroneous credits. Vendor also authorizes LA WIC to refund all transaction reimbursements using the ACH Network. This authorization applies only to the bank account appearing in the Vendor Application. Authorized WIC Vendors may elect to update ACH authorization using the "ACH Agreement – EBT" form to request that EBT payments be credited to a different account. No entry, payments, and/or reimbursements shall be initiated except in conformity with the authorization provided for in this Agreement. LA WIC and the Authorized WIC Vendor agree to comply with Vendor Rules and Regulations (Provisions that control Vendor participation within LA WIC including but not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual).
- 3.12. Claims Against Vendors for Amounts Owed:** Within thirty (30) days of written notice from LA WIC, pay any claim assessed by LA WIC or, if applicable, request a payment plan.
- 3.13. Acronym and Logo:** Use "WIC" acronym and logo only as allowed or approved (See Vendor Guide and Policy Manual).

- 3.14. Above-50 (A50) Percent Vendor Provisions:** Authorized WIC Vendors that derive or expect to derive more than 50 percent of their annual food sales revenue from WIC Transactions shall accept reimbursements that neither result in higher food costs than if WIC Participants or proxies transacted their WIC Benefits at Authorized WIC Vendors that are not A-50 vendors (regular vendors), nor result in higher average payments per WIC Approved Food Item(s) to A-50 vendors than average payments to regular vendors; and agree to neither provide nor advertise nor indicate intent to provide customers with any incentive items, including identified, prohibited incentive items (See Vendor Guide and Policy Manual).
- 3.15. Meet Minimum Stock Requirements:** Authorized WIC Vendors must stock and maintain a supply of at least the minimum varieties of authorized foods as identified in the Vendor Guide and subsequent written communications from LA WIC throughout the Agreement period. Foods that are expired or otherwise not fresh do not count towards meeting the Minimum Stock Requirement (MSR). Failure to maintain Minimum Stock Requirements (MSR) may result in termination from LA WIC.
- 3.16. Maintain Competitive Prices:** Authorized WIC Vendors must provide WIC supplemental foods at or below the current price charged to other customers. These prices must also be competitive within each Vendor's assigned peer group and at or below the maximum allowable reimbursement levels. Authorized WIC Vendors will be assigned to peer groups based on criteria determined by LA WIC as listed in the Vendor Guide and Policy Manual. LA WIC may reassess the Vendor's peer group designation at any time during the agreement period and shall place the Authorized WIC Vendor in a different peer group if upon reassessment LA WIC determines the Vendor is no longer in the appropriate peer group. Shelf prices shall be plainly marked. Failure to do so may result in termination from the Program.
- 3.17. Training:** Ensure at least one Authorized WIC Vendor representative participates in Annual Training on LA WIC requirements, and any other training sessions, as required. Participate in interactive training at least once every three years. LA WIC will have sole discretion to designate the date, time, and location, if applicable, of all training, except that LA WIC will provide the Authorized WIC Vendor with at least one additional opportunity to complete such training. Ensure that all training received by the Authorized WIC Vendor representative is disseminated to all appropriate vendor personnel at the store location.
- 3.18. Confidentiality of Participant Information:** Maintain the confidentiality of any information gathered about a WIC Participant or their family through actions as a result of their participation in LA WIC.
- 3.19. Responsibility for Staff:** Be fully responsible for violation(s) of the Vendor Rules and Regulations (Provisions that control Vendor participation within LA WIC including but not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual) committed by its owners, officers, managers, employees, agents, representatives, or other individuals including but not limited to, wholesalers and/or point-of-sale providers, who directly or indirectly participate in Vendor's operations.
- 3.20. Business Integrity:** Notify LA WIC if an individual, partnership, corporation, limited liability company, or other business structure is convicted of a criminal offense involving

WIC, SNAP, or any other program funded and administered by the Food and Nutrition Service of the U.S. Department of Agriculture; and notify LA WIC of all grocery stores wholly or partially owned or managed by the convicted individual, partnership, corporation, limited liability company, other business structure, or by a partner of a convicted partnership or an officer, of a convicted corporation or a convicted limited liability company;

3.21. Business Change: Notify LA WIC in writing at least fifteen (15) calendar days prior to or immediately upon knowledge of (whichever occurs first):

3.21.1. Cessation of Vendor operations;

3.21.2. Change of location;

3.21.3. Change in store name (including d/b/a);

3.21.4. Change in mailing address, e-mail address, or telephone number;

3.21.5. Change in Vendor ownership, management, corporate officers, or majority stakeholders, merger, acquisition or change in form of business, legal standing, or authority to do business in Louisiana;

3.21.6. Changes in POS systems such that re-assessment or reinstatement of the vendor's L3 Certification is required;

3.22. Patterns of Violations: Acknowledge and understand that federal law authorizes LA WIC to define a pattern of violations. A description of what constitutes a pattern for violations of LA WIC requirements is provided in the Vendor Guide and Policy Manual, incorporated herein by reference, and any changes made thereto during the Agreement period. Unaddressed violations will carry forward from one Agreement period to the next.

3.23. Corrective Action Plans: Implement a corrective action plan (CAP), if imposed by LA WIC, within the timeframe designated by LA WIC. Corrective action plans shall not be used in lieu of State or Federal sanctions.

3.24. Selection Criteria: At all times, adhere to all LA WIC vendor selection criteria (See LAC 48:V.4503, et seq., the Vendor Guide, and the Policy Manual) which are incorporated herein by reference, and any changes made thereto during the Agreement period. At any time during the Agreement period, LA WIC may reassess the Authorized WIC Vendor for compliance with current LA WIC Vendor Selection Criteria and terminate this Agreement for the Vendor's noncompliance with current LA WIC Vendor Selection Criteria.

3.25. State Vendor Sanctions: Not engage in prohibited behaviors that constitute violations subject to State Sanctions as stated in LAC § 4509.D, et seq. and/or in the Vendor Rules and Regulations (Provisions that control Vendor participation within LA WIC including but not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual.)

3.26. Federal Mandatory Vendor Sanctions: Not engage in prohibited behaviors that constitute violations subject to Federal Mandatory Sanctions as stated in 7 CFR §246.12, LAC §4509.A, et seq., the Vendor Guide, and the Policy Manual, incorporated herein by reference, and any changes made thereto during the Agreement period:

3.26.1. Conviction of trafficking in WIC Benefits or selling firearms, ammunition, explosives, or controlled substances in exchange for WIC Benefits;

3.26.2. Trafficking in WIC Benefits;

3.26.3. Selling firearms, ammunition, explosives, or controlled substances in exchange for WIC Benefits;

- 3.26.4. Selling alcohol, alcoholic beverages, or tobacco products in exchange for WIC Benefits;
 - 3.26.5. Claiming reimbursement for the sale of an amount of a specific WIC Approved Food Item(s) that exceeds the store's documented inventory of that WIC Approved Food Item(s) at the category level for a specific period of time;
 - 3.26.6. Overcharging the WIC Program;
 - 3.26.7. Receiving, transacting and/or redeeming WIC Benefits outside of authorized channels, including the use of an unauthorized vendor and/or an unauthorized person;
 - 3.26.8. Charging for supplemental foods not received by the participant; or
 - 3.26.9. Providing credit or non-food items (not including alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances) in exchange for WIC Benefits.
 - 3.26.10. Providing Unauthorized Food Items in exchange for WIC Benefits, including charging for supplemental foods provided in excess of those contained on the WIC EBT Card;
 - 3.26.11. An A-50 vendor providing prohibited incentive items.
- 3.27. Participant Access:** LA WIC may assess the adequacy of participant access prior to denial of a Vendor Application, termination of an Existing Vendor Agreement and/or disqualification of an Existing Vendor. Participant access is determined at the sole discretion of LA WIC and the validity or appropriateness of LA WIC's participant access determinations are not subject to administrative review. LA WIC reserves the right to recruit Vendors in areas where participant access issues may exist.
- 3.28. Sanctions:** Sanctions are actions which will be taken by LA WIC when the Authorized WIC Vendor fails to comply with Vendor Rules and Regulations. (Provisions that control Vendor participation within LA WIC include but are not limited to affirmations made in the Vendor Application and the Vendor Agreement, and federal and state rules, regulations, guidance and policy governing LA WIC as well as the Vendor Guide, Memorandums and the Policy Manual.) Sanctions include disqualifications, civil money penalties (CMPs) and terminations. See the Sanction Schedule in the Vendor Guide and Policy Manual, which is incorporated herein by reference, and any changes made thereto during the Agreement period. Disqualification and/or termination of the Vendor Agreement or payment of a CMP does not relieve the Vendor of the obligation to repay any monies claimed by and owed to LA WIC.
- 3.28.1. Notification to FNS:** Federal Regulations at CFR §246.12(1)(1)(xi) mandate that LA WIC notify FNS that LA WIC has either disqualified or imposed a civil money penalty in lieu of disqualification for any of the Federal Mandatory Sanction Violations listed in 3.26., above. Disqualification from WIC may result in disqualification from the Supplemental Nutrition Assistance Program (SNAP) and such SNAP disqualification is not subject to administrative or judicial review under SNAP. See 7 CFR §246.12(h)(3)(xxvi).
 - 3.28.2. Disqualification:** Authorized WIC Vendors found to have committed Federal Mandatory Sanction and/or State Agency Sanction Violations may be subject to disqualification. A disqualification from WIC may result in disqualification as a retailer in SNAP. Such disqualification from SNAP as a result of WIC

disqualification is not subject to administrative or judicial review under SNAP. When LA WIC disqualifies an Authorized WIC Vendor, LA WIC must also terminate the Vendor Agreement.

- 3.28.3. Civil Money Penalties (CMPs):** Except where prohibited by Federal Regulation or in those cases of permanent Vendor disqualification, if LA WIC determines in its sole discretion that disqualification of the Authorized WIC Vendor would result in inadequate participant access to WIC Approved Food Items, LA WIC shall impose a civil money penalty (CMP) in lieu of disqualification. Such CMP will be calculated in accordance with Federal Regulations for Federal Mandatory Sanction Violation(s) and/or in accordance with LA WIC Vendor Rules and Regulations for State Agency Vendor Sanction Violation(s). If an Authorized WIC Vendor does not pay, only partially pays, or fails to make timely payment in lieu of disqualification, LA WIC shall disqualify the Vendor for the length of the disqualification corresponding to the violation for which the CMP was assessed. Any monies partially paid by the Authorized WIC Vendor towards the CMP will not be reimbursed to the Vendor.
- 3.28.4. Termination:** LA WIC will terminate this Agreement, the Vendor shall not transact WIC Benefits during the termination period and promptly submit all EBT WIC Transaction redemptions, and LA WIC will recoup any WIC Transactions conducted after the termination of this Agreement:
- 3.28.4.1.** If LA WIC identifies a conflict of interest, as defined by applicable State laws, regulations and policies (as determined by the State agency) between the Authorized WIC Vendor and the State agency or local WIC agencies.
 - 3.28.4.2.** If LA WIC determines that the Authorized WIC Vendor has provided false information in connection with its application for authorization.
 - 3.28.4.3.** On the date of the loss or relinquishment of SNAP retailer authorization.
 - 3.28.4.4.** On the date of cessation of Vendor operations this Agreement will be null and void and immediately terminated.
 - 3.28.4.5.** Upon a change in store location of two or more miles walking distance (as determined by LA WIC in accordance with the Vendor Guide and Policy Manual) from the previous store location this Agreement will be null and void and immediately terminated.
 - 3.28.4.6.** Upon a change in Vendor ownership this Agreement will be null and void and immediately terminated. Any WIC Transactions conducted after this Agreement is null and void will be subject to recoupment by LA WIC. LA WIC shall hold the previous owner and new owner solidarily liable for any monies owed.
 - 3.28.4.7.** Upon receipt of fifteen (15) calendar days' notice of the Vendor's voluntary termination of this Agreement.
 - 3.28.4.8.** Upon receipt of fifteen (15) calendar days' notice of the Vendor's failure to maintain selection criteria.

3.28.4.9. Upon discovery of the Vendor's failure to maintain selection criteria.

3.28.5. Authorization. A Vendor that has been disqualified and/or had its Vendor Agreement terminated by LA WIC that seeks Authorization shall reapply and meet all current requirements for WIC Authorization.

3.29. Fraud & Abuse: An Authorized WIC Vendor who commits fraud or abuse in LA WIC is liable to prosecution under applicable Federal, State, or local laws. Vendors that have willfully misapplied, stolen or fraudulently obtained LA WIC funds will be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one year or both.

3.30. Administrative Review: An Authorized WIC Vendor or vendor applicant that has an adverse action taken against it by LA WIC will be provided written notification of the adverse action. Adverse actions taken by LA WIC that affect Vendors or vendor applicants may be subject to administrative review, if appealed. A list of those adverse actions that are and are not subject to administrative review may be found in the Vendor Guide and Policy Manual. See 7 CFR §246.12(1)(1)(i), LAC Subpart 15 Chapter 45 §4511, Vendor Guide, and Policy Manual.

3.30.1. An Authorized WIC Vendor cannot claim and is not entitled to money for loss of WIC sales during the pendency of an appeal of an adverse action. If LA WIC takes adverse action which leads to an administrative review and the administrative review yields a decision in favor of the Vendor who is subsequently reinstated, the Vendor cannot claim and is not entitled to retroactive payments and/or compensation for revenues lost for the period of time the Vendor was not on the program.

3.30.2. Unless otherwise noted, administrative review decisions are the final action of LA WIC.

3.30.2.1. LA WIC reserves the right to file additional motions for reconsideration as well motions for re-appeal. LA WIC is under no obligation to immediately reinstate the Vendor during ongoing proceedings.

3.30.2.2. If the administrative review yields a decision in favor of LA WIC, the Vendor may pursue judicial review of the decision.

3.30.2.3. If the administrative review yields a decision in favor of the Vendor, the Vendor will be reinstated provided the Vendor Agreement has not expired during ongoing proceedings.

4. [SIGNATURES FOLLOW ON NEXT PAGE]

THIS AGREEMENT CONTAINS, INCORPORATES BY REFERENCE, OR HAS ATTACHED HERETO ALL THE TERMS AND CONDITIONS AGREED UPON BY THE CONTRACTING PARTIES. IN WITNESS THEREOF, THIS AGREEMENT IS SIGNED ON THE DATE INDICATED BELOW.

This Agreement consists of this page and thirteen previous pages all bearing an effective date of 01.2022_v2.

Print Authorized Person's Name and Title

SIGNATURE FOR VENDOR

Vendor Number (if reauthorization application)

Date Signed

The undersigned has authority to sign this Agreement on behalf of the Louisiana WIC Program:

SIGNATURE OF STATE AGENCY OFFICIAL

Assistant Secretary, Office of Public Health

Date Signed

Exhibit 1 Attachment: Louisiana WIC Vendor Guide