

GEORGIA'S WIC WIC VENDOR AGREEMENT

**Full Legal Name of
Store or Corporation** _____

**Doing Business As
(If applicable)** _____

Street Address _____

Store location or corporate home office

City _____ **State** _____ **Zip** _____

Business Telephone _____ **County** _____

(Area Code) Number

Mailing Address _____

If different from above. All communications, i.e. disqualifications, sanctions, addendums, annual training, etc. will be mailed to the location listed here.

City _____ **State** _____ **Zip** _____

Email Address _____

Fax Number _____

Federal Employer Identification Number _____

Registered Agent _____

Mailing Address _____

Disqualifications and terminations will be mailed to this address

City _____ **State** _____ **Zip** _____

DO NOT WRITE BELOW THIS LINE

GEORGIA'S WIC USE ONLY

**See Attached
Spreadsheet**

This Agreement is by and between the Georgia Women, Infant and Children Program, hereinafter known as the "Georgia's WIC," having a mailing address of Two Peachtree Street NW, Suite 10-476, Atlanta, Georgia, 30303-3142, and the above named vendor hereinafter known as "the Vendor." This agreement is effective for the period beginning _____ and ending **September 30, 2014.**

I. PURPOSE

The purpose of this agreement is to establish the terms and conditions for an authorized vendor to sell prescribed nutritious supplemental foods in accordance with federal laws and regulations and the Georgia Nutrition Program for Women, Infants and Children (WIC) pursuant to the laws of the State of Georgia and the Child Nutrition Act (CNA) of 1966 as amended.

II. VENDOR ELIGIBILITY AND LOCATION

- A. An eligible vendor is a business entity that is 1) licensed by the Georgia Department of Agriculture and, 2) without a debarment or suspension from United States Department of Agriculture. Military commissaries do not have to be licensed by the Georgia Department of Agriculture.
- B. An eligible vendor is a business entity that is 1) registered and licensed by the United States Department of Agriculture Food Nutrition Service as a retail participant in the Supplemental Nutrition Assistance Program or SNAP (formally the Food Stamp Program) and 2) is in good standing without debarment or suspension from the United States Department of Agriculture or the SNAP program. Military commissaries do not have to be SNAP participants.
- C. An eligible vendor must be identified as a fixed location with an official physical address.
- D. For corporate vendors owning two (2) or more locations, the requested information for each location must be listed on the Corporate Attachment (Form 3771A) and made part of the agreement. The corporate attachment form is an addendum to the corporate vendor agreement. The attachment form serves as verification that the location listed is the authorized location in which WIC vouchers are to be redeemed. Vendors are not permitted to redeem vouchers in a location other than the authorized location listed in the vendor agreement or corporate attachment.
- E. An eligible vendor must meet all requirements as described in Georgia's WIC Vendor Handbook and all addendums.
- F. The vendor must comply with the selection criteria (e.g. competitive prices, SNAP authorization, minimum inventory, store operating hours, etc.) throughout the agreement period including any changes to the criteria. Using the current vendor selection criteria, Georgia's WIC may reassess the vendor at any time during the agreement period. Georgia's WIC will terminate the Vendor Agreement if the vendor fails to meet the current vendor selection criteria at any time during the agreement period.
- G. An eligible vendor, authorized as a military commissary, pharmacy or corporate vendor will be given certain exceptions to this agreement. The exceptions are outlined in Georgia's WIC Vendor Handbook and all addendums.

III. RESPONSIBILITIES – VENDOR

The Vendor agrees to adhere to all federal and state laws, policies, procedures, rules and regulations, including the most recent State Plan of Program Operation and Administration and any subsequent revisions to the policies, procedures, laws, rules and regulations issued by the federal government and/or Georgia's WIC. This Agreement will be interpreted based on the laws of the State of Georgia.

A. The vendor agrees and covenants:

1. To be fully accountable for the actions of its paid or unpaid owners, officers, managers, agents and employees.
2. To abide by the rules, policies and procedures as outlined in the most recent publication of Georgia's WIC Vendor Handbook and all addendums.
3. To not solicit the WIC customer on the premises of WIC clinics.
4. To solely purchase infant formula, that will be redeemed for WIC vouchers, from the Approved Infant Formula Supplier list. If a supplier is not listed, a vendor is required to call 866-814-5468 or 404-657-2900 to inquire about adding them to the list. The vendor must ensure that the requested supplier has been authorized by Georgia's WIC, prior to purchasing any infant formula from that supplier. Records of the infant formula purchase must be maintained according to Section III.1.3 of this Agreement.
5. To submit total food sales and gross sales revenue records, as requested, by Georgia's WIC.
6. To immediately notify Georgia's WIC when greater than 50% of total food sales revenue is derived from the redemption of WIC vouchers.
7. To not use the WIC logo or acronym, including close facsimiles thereof, in an unauthorized manner, in total or in part, either in the name in which the vendor is registered or under the name in which it does business, or in any form of marketing or advertisement of the store that gives an impression that the business is owned, operated, approved, favored or endorsed by Georgia's WIC including such wording as, but not limited to, "WIC Only".
8. To carry a substantial amount of non-WIC food inventory at all times. (Must carry a minimum of one hundred items in each category.)
9. To not offer incentives to WIC participants. Vendors who use advertisements to solicit the business of WIC participants, and/or offer incentives or delivery services will be subject to sanctions as explained in the Vendor Agreement and the Georgia's WIC Vendor Handbook. Vendors must not use incentives to encourage solicitation by WIC customers. Providing incentive items as part of a WIC transaction or to solicit WIC patronage is subject to disqualification. Incentives include free or complimentary gifts and home delivery of foods, store memberships, free or discounted services, etc.

B. VENDOR TRAINING

Prior to accepting WIC vouchers, the vendor or his authorized representative must receive interactive authorized training. Georgia's WIC will provide the date, time and location of the training. The vendor may submit a written request, for Georgia's WIC to provide subsequent customized training to store personnel at anytime after both parties have signed the agreement.

The vendor agrees and covenants:

1. To provide training to paid and unpaid employees, agents and all personnel involved in WIC transactions.
2. To not participate in Georgia's WIC until Authorized Training has been completed and a vendor stamp has been issued.
3. To not participate until the vendor has received a passing score of eighty (80) points or above on the Post Vendor Training Evaluation.
4. To provide documentation that a management representative(s) from each location has been trained on the required topics as listed on the Corporate Vendor Training Checklist (Form 3757A), (Corporate vendors only).

C. NO SUBSTITUTIONS, CASH, REFUNDS, OR EXCHANGES

The vendor agrees and covenants:

1. To only charge for authorized supplemental foods selected by the WIC customer as listed on the food voucher or cash value/fruit and vegetable voucher and not charge for WIC approved items that are not received.
2. To not provide unauthorized food items, non-food items or cash in exchange for food vouchers or cash value/fruit and vegetable vouchers.
3. To not provide refunds or permit exchanges for authorized supplemental food vouchers except for exchanges of the same brand and size authorized supplemental food item when the original authorized supplemental food item is defective, spoiled, recalled or has exceeded its "sell by" or "best if used by" or other date limiting the sale or use of the food item.

D. FOOD VOUCHER TRANSACTIONS

The vendor agrees and covenants:

1. To not accept WIC food vouchers or cash value/fruit and vegetable vouchers before the "First Date to Use" or after the "Last Date to Use" as printed on the voucher.
2. To submit vouchers to the bank for payment within sixty (60) days from the "First Date to Use" as indicated on each voucher.
3. To assure that WIC food voucher transactions are processed in accordance with the procedures set forth in the recent Georgia's WIC Vendor Handbook and all addendums.
4. To not demand that a WIC Participant, caretaker and or proxy, hereafter called the WIC customer, purchase every eligible WIC food item listed on the voucher.
5. To allow WIC customers the right to purchase the eligible foods of their choice as listed on the WIC food voucher, cash value voucher and the approved food list.
6. To only allow the purchase of supplemental foods listed on the food voucher and cash value/fruit and vegetable voucher.
7. To ensure that Georgia's WIC is not being charged for foods not received by the participant.
8. To not transfer Georgia's WIC vouchers from vendor to vendor.
9. To not accept Georgia's WIC vouchers from another vendor for payment.
10. To not accept WIC vouchers or cash value/fruit and vegetable vouchers in an unauthorized location for payment in an authorized location.
11. To not contact or seek restitution from the WIC customer for WIC food vouchers not paid or partially paid by Georgia's WIC.
12. To not request cash from the WIC customer for any WIC transaction except for transactions involving the cash value/fruit and vegetable vouchers.
13. To not provide the WIC customer with rain checks/IOU's, credit slips, due bills or other similar receipts for WIC foods not obtained at the time of the purchase.
14. To allow WIC customer to participate in in-store and/or manufacturer promotions that include WIC approved food items. This includes buy one, get one or more free.
15. To not collect sales tax on prescribed WIC food purchases.
16. To not charge the WIC customer or the WIC Program for bank fees or other fees related to voucher redemption.
17. To advise the WIC customer that Georgia's WIC is not responsible for the home delivery of food items or any other in-store promotions.

18. To insert, in ink the actual cost (shelf price) of the WIC foods in the "Pay exactly box" at the time of purchase in the presence of the customer, prior to obtaining a signature.
19. To not provide unauthorized food, or non-credit food items, cash, credit (including rain checks) in exchange for food vouchers and cash value/fruit and vegetable vouchers.
20. To include sales tax for the difference over the amount on the face of the cash value/fruit and vegetable voucher.
21. To allow the WIC customer to use his/her own funds in excess of the monetary limits for his/her cash value/fruit and vegetable voucher.
22. To not issue cash change to a WIC customer for purchases less than the total value of the cash value/fruit and vegetable voucher.
23. To only use the cash value/fruit and vegetable voucher for fruit and vegetable purchases.

E. PRICING

The vendor agrees and covenants:

1. To clearly mark the price of WIC foods on the item, container, shelf or sign.
2. To provide each WIC food item at or below the current shelf price.
3. To accept an adjustment in the amount written in the pay exactly box of the WIC voucher. The amount to be paid will be based upon the average voucher redemption which will be based upon the average voucher(s) redemption for all comparable stores in the same peer group and/or the statewide average for a given time period.

F. OVERCHARGING

The vendor agrees and covenants:

1. To not overcharge the WIC customer or Georgia's WIC by charging more than the vendor's current shelf price for a WIC approved food item(s), or charging a WIC participant more for food than a non WIC customer. (Overcharging is considered a violation and will result in sanction(s) if it occurs during a covert investigation.)

G. VENDOR COST CONTAINMENT

Vendor Cost Containment is intended to assist state agencies in achieving compliance with section 17(h)(11) of the Child Nutrition Act of 1966 (CNA), as amended by the Child Nutrition and WIC Reauthorization Act of 2004 (Public Law 108-265).

The New requirements underscore the State agency's responsibility to ensure that the program pays all vendors competitive prices for supplemental foods. The State WIC Program implemented a cost containment plan to identify and manage vendors who derive more than 50 percent of their annual food revenue from WIC food instruments.

By June 30th of each year the State WIC Program will assess each vendor as to if they derive more than 50 percent of their food revenue from WIC food instruments annually and new vendors six months after enrollment.

The State WIC Program utilizes a methodology that uses redemption data to determine the maximum allowable reimbursement levels (MARL) for food instruments.

H. CIVIL RIGHTS

The vendor agrees and covenants:

1. To abide by the United States Civil Rights Act and the United States Civil Rights Policy Statement and to assure that discrimination is prohibited towards WIC customers and all related activities, on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital status.
2. To offer the WIC customer the same courtesies offered to all other customers.
3. To display the "We Welcome WIC" poster provided by Georgia's WIC or that have been approved by Georgia's WIC on the door glass or other prominent place.
4. To assure that all information, including the identity of the WIC customer is kept confidential in accordance with state and federal law.

I. CHANGE OF OWNERSHIP, LOCATION OR CESSATION OF OPERATION

The vendor agrees and covenants:

1. To submit, upon request, to Georgia's WIC a copy of all acceptable proof of ownership, identity and related documents, (e.g. articles of incorporation, bill of sale and partnership declaration and evidence of sole proprietorship, social security card, driver's license, etc.)
2. To notify Georgia's WIC in writing at least twenty-one (21) days in advance if the vendor plans to cease business operation, change ownership, store name or move from the authorized location.

J. PERFORMANCE COMPLIANCE AND CONFLICT OF INTEREST

The vendor agrees and covenants:

1. To permit unannounced visits by federal or state agency representatives to review adherence to federal laws and to Georgia's WIC's policies and procedures.
2. To provide access to WIC food vouchers and/or cash value/fruit and vegetable vouchers on hand, inventory records (invoices) and any other business records during a monitoring visit or inventory audit by an authorized federal or state agency representative.
3. To maintain required records for four years or until pending investigations are adjudicated.
4. To disclose any potential or actual conflict of interest between the vendor and Georgia's WIC employees.
5. To not permit its' paid or unpaid owners, officers, managers, agents and employees to conduct with the WIC customer, any conflict of interest activities or similar acts, as determined by Georgia's WIC. This includes, but is not limited to instances where an authorized WIC vendor acts as a proxy for the WIC customer.
6. To not attempt to circumvent a sanction(s) by selling assigning or otherwise transferring ownership to the vendor's partners, members, owners, officers, directors, employees, relatives by blood or marriage, heirs or assigns.
7. To not use the WIC logo or acronym in an unauthorized manner, including close facsimiles thereof, in total or in part, either in the name in which the

vendor is registered or under the name in which it does business, or in any form of marketing or advertisement of the store that gives an impression that the business is owned, operated, approved, favored or endorsed by Georgia's WIC including such wording as, but not limited to, "WIC Only".

K. VENDOR SANCTION SYSTEM AND VENDOR CLAIMS

The vendor agrees and covenants:

1. To pay claims and penalties levied for audit citations and for sanctions levied pursuant to this agreement and the most recent publication of Georgia's WIC Vendor Handbook and all addendums.
2. That Georgia's WIC can impose claims, sanctions and penalties as outlined in this agreement and the most recent publication of Georgia's WIC Vendor Handbook and all addendums.

L. STATE PROPERTY

The vendor agrees and covenants:

1. To return the vendor stamp(s) to Georgia's WIC upon termination, change of ownership or disqualification.
2. To report lost, stolen or damaged vendor stamps to Georgia's WIC immediately.

IV. RESPONSIBILITIES – GEORGIA'S WIC

Georgia's WIC agrees to adhere to federal and/or state laws, policies, procedures, rules and regulations, including the most recent State Plan of Program Operation and Administration.

Any subsequent revisions to the policies, procedures, laws, rules and regulations that relate to Georgia's WIC issued by the federal government are hereby made a part of this agreement.

Georgia's WIC further agrees to the following:

- A. To supply the vendor with the most recent publication of Georgia's WIC Vendor Handbook and all addendums.
- B. To assure that the WIC customer are informed of the proper voucher redemption procedures and the correct use of WIC vouchers.
- C. To assure that vouchers are provided to qualified women, infants and children.
- D. To notify the vendor of new requirements as set forth by the U.S. Department of Agriculture's regulations and/or Georgia's WIC's policies and procedures.
- E. To provide training for the vendor on policies and procedures of Georgia's WIC, at a time, place and in a manner prescribed by Georgia's WIC.
- F. To monitor and audit the vendors for possible violations of Georgia's WIC rules, regulations, policies or procedures.
- G. To enforce rules, regulations, policies and procedures of Georgia's WIC through a system of claims, penalties, and/or sanctions against the vendor as described in the most recent publication of Georgia's WIC Vendor Handbook and all addendums.
- H. To provide an appropriate written notice of intent or reason(s) to terminate this agreement.
- I. To notify the vendor of the right to appeal adverse actions.

- J. To provide payment for vouchers validly redeemed and submitted to Georgia's WIC as prescribed in the most recent publication of the Georgia's WIC Vendor Handbook and all addendums.
- K. To deny payment for vouchers improperly completed, redeemed or submitted in accordance with the most recent publication of Georgia's WIC Vendor Handbook and all addendums.
- L. To refuse authorization to a vendor applicant if it is determined that the store(s) is being sold in an attempt to circumvent a Georgia's WIC sanction.
- M. To notify vendor of stolen vouchers. The stolen vouchers may not be redeemed.
- N. To maintain an up to date listing of Approved Infant Formula retailers, wholesalers, manufactures and distributors, which authorized vendors must use to purchase infant formula and to approve additional suppliers upon request.

V. RENEWABILITY

This agreement is not renewable. If the vendor wishes to continue to be authorized beyond the current agreement period, the vendor must reapply for authorization.

VI. NON – TRANSFERABILITY

This agreement is not transferable.

VII. EXPIRATION, TERMINATION AND DISQUALIFICATION

- A. Expiration of this agreement is not subject to appeal by the vendor.
- B. Either party may terminate the agreement.
- C. Georgia's WIC may terminate for cause, after providing the vendor a twenty (20) day advance written notice. Vendors have the right to request an Administrative Review.
- D. Disqualification is an adverse action taken by Georgia's WIC and is based on the sanction system outlined in Georgia's WIC Vendor Handbook and all addendums.

VIII. ADVERSE ACTIONS AND REVIEW PROCEDURES

1. A vendor may request an Administrative Review for the following:
 - A. Denial of authorization based on the vendor selection criteria for competitive price or for minimum variety and quantity of authorized supplemental foods or the determination that the vendor is attempting to circumvent a sanction.
 - B. Disqualification.
 - C. Imposition of a civil money penalty in lieu of disqualification.
 - D. Denial of authorization based on the vendor selection criteria for business integrity or for a current SNAP disqualification or civil money penalty for hardship.
 - E. Denial of authorization because a vendor submitted its application outside the established timeframes, August 1 – September 30 of each year.
 - F. Disqualification based on a trafficking conviction.
 - G. Disqualification based on the imposition of a SNAP Civil Money Penalty for hardship in lieu of disqualification.
 - H. Termination for cause including, but not limited to, the violation of any federal regulation covered in the sanction system.
 - I. Denial of authorization based on the determination that an applicant purchased infant formula, which will be redeemed with WIC vouchers, from an unapproved infant formula supplier which was not listed on the Approved Infant Formula List.

- J. Denial of authorization based on the determination that an applicant is expected to derive more than 50% of its' annual food revenue from the sale of WIC vouchers.

Administrative Review Procedures are outlined in the most recent Georgia's WIC Vendor Handbook.

IX. Termination for Cause

- A. Georgia's WIC may penalize the vendor by terminating the vendor for cause in accordance with the procedure prescribed in the most recent publication of the Georgia's WIC Vendor Handbook and addendums.
- B. A written notification of the termination shall be mailed to the affected party at least twenty (20) calendar days in advance. At the end of the period stated in the 20 day notice, the vendor will be terminated.
- C. At the end of the termination period, the vendor will not be automatically re-instated. The Vendor will have to re-apply.

Vendors are subject to, but not limited to, termination for cause for 1 year for the following reasons:

- Use of the WIC acronym or WIC logo, including close facsimiles thereof, in total or in part , either in the official name in which the vendor is registered or in the name under which it does business, if different.
- Pharmacy vendors shall not accept vouchers through the mail, nor mail any approved formula/medical foods directly to the WIC customer.
- Failure to complete and submit documentation for annual training by the deadline specified by Georgia's WIC.
- Failure to inform Georgia's WIC of a change in ownership or cessation of operation within at least 21 days of change and the effective date.
- Termination for cause, including but not limited to the violation of any federal regulation or terms of the WIC vendor agreement not otherwise covered by the sanction system.
- Failure to submit or return requested documentation or information by any stated deadline.
- Determination that SNAP License is invalid or not current.

X. PENALTIES

- A. Georgia's WIC may penalize the vendor by issuing sanctions in accordance with the procedures prescribed in the most recent publication of the Georgia's WIC Vendor Handbook and all addendums.
- Georgia's WIC sanctions may include disqualification, warnings, probation and civil money penalties in lieu of disqualification. The State agency will provide the vendor with prior warning about violations before imposing such sanctions (7CFR 246.12 XVIII), except when notification would compromise the investigation.
- B. A vendor maybe subject to criminal penalties as a result of a violation of Georgia's WIC in addition to civil money penalties described above. Vendors who have willfully misapplied, stolen or fraudulently obtained WIC funds shall be subject to a fine of not more than \$25,000.00 imprisonment for not more than five (5) years or both. If the value of the funds is less than \$100.00 then the penalties

may be a fine of not more than \$1,000.00, imprisonment for not more than one (1) year or both.

- C. If a disqualification for a mandatory sanction is not upheld during the administrative review process, then the remaining State Agency Sanction(s), if any, will remain on the vendor's record for one year.

XI. SEVERABILITY

If any one provision of this agreement or form attached to or incorporated by reference is waived or held to be invalid, such waiver or invalidity shall not affect other provisions of this agreement.

XII. SANCTIONS/VIOLATIONS FROM PREVIOUS AGREEMENT PERIODS

- A. Sanctions - any sanction(s) that are in the vendor's record at the time of re-authorization will remain on the vendor's record for the period of time specified when the sanction was issued. Prior year's sanctions may result in a denial of the authorization of the application and/or additional sanctions up to and including disqualification, in accordance with the most recent Georgia's WIC Program Vendor Handbook and all addendums.
- B. Violations - Pending and/or potential violations, that exists at the time of re-authorization will accrue and will result in sanctions up to and including disqualification, in accordance with the most recent Georgia's WIC Vendor Handbook and all addendums.

XIII. SANCTION SYSTEM

Following is a description of Georgia's WIC Sanction System and how it is implemented. **Civil Money Penalties (CMP) may be assessed in Categories I-IV in lieu of disqualification for State Agency sanctions** only. CMP's shall only be assessed for mandatory sanctions listed in Category IV and Category V if the disqualification results in inadequate participant access. Vendor violations will be categorized by the severity and nature of the offense. The nature and severity of a violation(s) shall determine the sanction assessed, the duration of the probationary period and the period of disqualification. Therefore, the highest sanction assessed to a vendor shall determine the period of probation and disqualification. Disqualification from Georgia's WIC may also result in disqualification from the SNAP Program.

- A. Any violation from Category I, II or III may be assessed a CMP in lieu of disqualification.**

Category I - Probation for six (6) months on first offense. While on probation if a violation occurs in Categories I, II or III the vendor will be disqualified for six (6) months.

State Agency Sanctions Violations:

1. Stocking a WIC food item(s) outside of manufacturer's expiration date(s)
2. Charging sales tax on WIC food item(s) other than on the difference of the amount of the Cash Value Fruit and Vegetable Voucher (FVV)
3. Failure to allow in-store or manufacturers' promotional or free item(s) with a WIC purchase
4. Failure to provide WIC participants with a receipt
5. Failure to check the WIC participants and/or proxy's WIC ID card (folder)

Category II - Probation for eight (8) months on first offense. While on probation if a violation occurs in Categories I, II or III the vendor will be disqualified for eight (8) months.

State Agency Sanctions

Violations:

1. Failure to ring up sales of WIC purchases
2. Failure to write the price on voucher before the participant signs
3. Failure to stock the required inventory of contract formula
4. Failure to stock the required inventory of two or more WIC food items
5. Refusing to accept valid WIC vouchers from participants
6. Allowing the substitution of one WIC approved food item listed on the voucher for another WIC approved food item not listed on the voucher
7. Allowing the purchase of WIC foods in unauthorized container sizes
8. Failure to remain open for business at least eight (8) hours per day, six (6) days per week
9. Failure to repay charges within thirty (30) days

Category III - Probation for ten (10) months on first offense. While on probation if a violation occurs in Categories I, II or III the vendor will be disqualified for ten (10) months.

State Agency Sanctions

Violations:

1. Contacting WIC participants for any reason regarding a WIC transaction
2. Requiring participant to pay cash to redeem WIC vouchers, except for personal payments for amounts over the maximum amount of the Cash Value/Fruit and Vegetable Vouchers (FVV)
3. Allowing the purchase of any formula other than the one specified on the front of the voucher
4. Providing incentive items as part of the WIC transaction
5. One (1) occurrence during a compliance investigation of a violation in Category IV, violations 1-2
6. One (1) occurrence during a compliance investigation of a violation in Category IV, violations 3-10
7. One (1) occurrence during a compliance investigation of a violation in Category V, violations 1-5
8. Requiring WIC Participants to show any identification other than the WIC Identification Card

B. Any violation from category IV or V that occurs at any time will result in immediate disqualification for the period specified in each category. A pattern is established when the same violation occurs two (2) times during a covert compliance investigation. When a pattern is not established, one (1) occurrence during a covert compliance investigation will result in a Category III sanction.

Category IV - Immediate disqualification for one (1) year twelve (12) months for each violation.

Mandatory Sanctions

Violations:

1. A pattern of providing unauthorized food items in exchange for WIC vouchers
2. A pattern of charging for supplemental foods provided in excess of those listed on the voucher
3. A pattern of an above-50-percent vendor providing prohibited incentive items to customers

When a vendor, who previously has been assessed a sanction for any of the violations listed in Category IV Sanction 1, 2, or 3, receives another sanction for any

of these violations, the second sanction will be doubled. Civil money penalties may only be doubled up to the maximum limits per violation.

When a vendor, who previously has been assessed two or more sanctions for any of the violations listed in Category IV Sanction 1, 2, or 3, receives another sanction for any of these violations, the third sanction and all subsequent sanctions will be doubled. The State agency may not impose civil money penalties in lieu of disqualification for third or subsequent sanctions.

Category IV - Immediate disqualification for one (1) year twelve (12) months for each violation.

State Agency Sanctions

Violations:

4. Intentionally providing false information on vendor records
5. Discrimination
6. Failure to provide vouchers or inventory records upon request
7. Failure to allow monitoring by WIC representatives
8. Prices not marked clearly on WIC food items or near WIC food items
9. Allowing WIC food items to exceed the quantity specified on the voucher (except for promotional or free items)
10. Failure to allow the purchase of any WIC food item(s)
11. Issuing rain checks/IOU's for WIC approved foods

Category V - Immediate disqualification for three (3) years or thirty-six (36) months for each violation.

Mandatory Sanctions

Violations:

1. A pattern of receiving, transacting, and/or redeeming food vouchers in locations different from the authorized location listed on the Vendor Agreement including the use of an unauthorized vendor and/or an unauthorized person, this includes but is not limited to delivering WIC food items to WIC participants and collecting WIC vouchers prior to completing the WIC transaction(s)
2. A pattern of providing credit or non-food items in exchange for WIC vouchers
3. A pattern of overcharging on WIC vouchers (charging a WIC participant more than the current shelf price or charging a WIC participant more for food than a non-WIC customer) during a compliance investigation
4. A pattern of charging for supplemental food not received by the participant, this includes but is not limited to vendor representatives receiving WIC foods omitted by the participants. The WIC participant(s) does not have the authority to give WIC foods to vendor or its representatives and neither does the vendor or its representatives shall accept such WIC food items
5. A pattern of claiming reimbursement for the sale of an amount of a specific supplemental food item which exceeds the store's documented inventory of that supplemental food item for a specific period of time
6. One incidence of the sale of alcohol or alcoholic beverages or tobacco products in exchange for WIC vouchers

C. Any violation from category VI or VII that occurs at any time will result in immediate disqualification for the period specified in category VI & VII.

Category VI - Disqualification for six (6) years or seventy-two (72) months for each violation.

Mandatory Sanctions

Violations:

1. One (1) incidence of buying or selling WIC food instruments or cash value vouchers for cash
2. One (1) incidence of exchanging WIC food instruments or cash value vouchers for firearms

3. One (1) incidence of exchanging WIC food instruments or cash value vouchers for ammunition
4. One (1) incidence of exchanging WIC food instruments or cash value vouchers for explosives
5. One (1) incidence of exchanging WIC food instruments or cash value vouchers for controlled substances

Category VII - Permanent disqualification for a conviction of each violation [Conviction refers to an action by a criminal court as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)].

Mandatory Sanctions

Violations:

1. Conviction for buying or selling WIC food instruments or cash value vouchers for cash
2. Conviction for buying or selling WIC food instruments or cash value vouchers for firearms
3. Conviction for buying or selling WIC food instruments or cash value vouchers for ammunition
4. Conviction for buying or selling WIC food instruments or cash value vouchers for explosives
5. Conviction for buying or selling WIC food instruments or cash value vouchers for controlled substances

XIV. Restrictions in Vendor Incentive Items

The state agrees and covenants penalize vendors who:

1. Provide transportation for the WIC customer to or from vendor's premises.
2. Deliver WIC approved foods to the WIC customer's residence.
3. Offer incentive items to the WIC customer in exchange for patronization.

XV. SPECIAL CERTIFICATION

The vendor acknowledges, understands and accepts, through the signature of the owner, or an authorized representative below, that he or she understands and accepts all terms of this agreement. The individual signing this agreement certifies that they are authorized to sign the agreement on behalf of the vendor.

This agreement becomes valid only upon the signature of an authorized representative of Georgia's WIC and upon receipt, by the vendor, of an executed copy along with vendor stamps for each authorized location.

VENDOR SIGNATURE

Signature of Authorized Representative (no initials)	First	Middle	Last	Date
Authorized Representative (Type or Print) (no initials)	First	Middle	Last	Date
Title (Type or Print)				

DO NOT WRITE BELOW THIS LINE

GEORGIA'S WIC USE ONLY

GEORGIA'S WIC SIGNATURE

Signature	Date
Authorized Representative (Type or Print)	
Title (Type or Print)	