

AUTHORIZED WIC VENDOR AGREEMENT

This Agreement ("AGREEMENT") is made and entered into by and between

("VENDOR") and Nevada State Division of Health ("STATE AGENCY").

WHEREAS, STATE AGENCY has entered into an AGREEMENT with the United States Department of Agriculture, Food and Nutrition Services, for the purpose of administering within the State of Nevada the Special Supplemental Food Program for Women, Infants, and Children ("WIC") pursuant to Federal Regulations published at 7 CFR § 246 ("Regulations"); and

WHEREAS, STATE AGENCY desires to enter into agreements with retail food outlets meeting criteria specified by STATE AGENCY in order to enable WIC participants to obtain special supplemental foods; and

WHEREAS, VENDOR represents that VENDOR desires to become an Authorized WIC Vendor for the provision of special supplemental foods to WIC participants;

NOW, THEREFORE, STATE AGENCY and VENDOR hereby agree that VENDOR shall become an Authorized Vendor of special supplemental foods to WIC participants, subject to Regulations, and the terms and conditions stated herein below.

1. VENDOR Selection. The selection of and authorization to accept food instruments from WIC participants, parents/caretakers, and proxies ("WIC participants"), is based on criteria established by STATE AGENCY which are on Exhibit "B" (*Selection Criteria for Authorized Stores*) attached hereto and incorporated herein by this reference. VENDOR will comply with selection criteria during the period of the AGREEMENT. STATE AGENCY may reassess VENDOR at any time during the agreement period and will terminate AGREEMENT if VENDOR fails to meet the current VENDOR selection criteria. STATE AGENCY may, at its discretion, allow VENDOR a reasonable period of time to correct deficiencies to avoid termination.
2. Provision of Special Supplemental Foods by VENDOR. In exchange for payment as prescribed in this AGREEMENT, VENDOR shall provide special supplemental foods to WIC participants in accordance with the following terms and conditions:
 - a) VENDOR shall maintain adequate inventories of a reasonable selection of the special supplemental foods contained on the list of Authorized WIC foods specified by the Regulations (7 CFR § 246.10) and STATE AGENCY ("WIC Foods"). A list of WIC Foods is on Exhibit "C" (*Authorized WIC Foods*) attached.
 - b) VENDOR shall furnish WIC Foods to WIC participants, parents or caretakers of child and infant participants, or proxies, only at the site of the retail food outlets covered by this AGREEMENT, which sites are listed on Exhibit "A," *Authorized Vendor Stores*, attached hereto and incorporated herein by this reference.
 - c) VENDOR shall charge a price for WIC Foods to WIC participants, parents or caretakers of child and infant participants, or proxies, that is equal to or less than the current price charged for such food to all other retail customers of VENDOR.

3. Acceptance of Food Instruments by VENDOR. In exchange for the provision of WIC Foods to WIC participants, parents or caretakers of child and infant participants, or proxies, VENDOR shall accept from said WIC participants as full payment therefore only food instruments in accordance with the following terms and conditions:
- a) STATE AGENCY shall provide each VENDOR outlet with *Check Handling Instructions* and *Authorized WIC Food* brochures prior to implementation of each new or continuing AGREEMENT. VENDOR shall distribute cards for availability at each checkout stand for use by cashiers. VENDOR shall request replacement cards from STATE AGENCY as needed.
 - b) As used herein, a food instrument shall mean a paper check or electronic benefits transfer (“EBT”) card in such form as is specified by STATE AGENCY that is used by a participant to obtain supplemental foods. References to a “paper check” shall apply only to paper checks, references to an “EBT food instrument” shall apply only to EBT food instruments, and references to a “food instrument” shall apply generally to either form.
 - c) Paper check food instruments shall contain at a minimum the following information upon presentation to VENDOR:
 - 1. The participant’s name;
 - 2. The first day of use and the last day of use;
 - 3. The specific WIC Foods and quantities thereof which may be purchased with the food instrument.
 - d) EBT food instruments shall be accepted only in areas of the State where STATE AGENCY has implemented use of EBT as a means of payment for supplemental WIC food benefits under the terms and conditions as delineated in Exhibit “D,” *Acceptance of EBT Processing*. (This only applies to sites which are equipped and authorized to accept EBT as indicated on Exhibit “A.”)
 - e) VENDOR shall accept food instruments as payment only for the specific quantities of WIC Foods listed on the instrument at or below the current shelf price. VENDOR shall properly display shelf prices on VENDOR shelves. For paper checks, VENDOR shall write the total cost of said WIC Foods in the space provided, prior to requiring the WIC participant to sign the instrument. For EBT cards, VENDOR shall enter current shelf price for each item and verify total before completing transaction.
 - f) VENDOR shall only accept paper check food instruments which are signed by the WIC participants at the time of purchase, after the total purchase price is entered, and on which the signature matches the signature on the participant’s WIC identification card, or other government-issued identification card. If food instrument is presented by a proxy, the signature must match the WIC identification card containing the proxy’s signature.
 - g) VENDOR shall not charge any tax for WIC foods purchased with a food instrument.
 - h) VENDOR shall not exchange food instruments for cash or give change. VENDOR may not give credit, including rain checks, for WIC food instruments or refunds for WIC items purchased by participants with food instruments. VENDOR may exchange an identical item if the original item is defective, spoiled, or has exceeded the date limiting its sale or use.

- i) VENDOR shall only accept paper check food instruments for dates between the “First Day to Use” and “Last Day to Use” printed on the paper check.
 - j) VENDOR shall maintain customer operational policies which are equitable and fair to all customers.
 - k) VENDOR shall follow procedures specified by STATE AGENCY regarding acceptance and processing of food instruments.
4. Payment to VENDOR for Food Instruments. STATE AGENCY shall, through a central bank account maintained for this purpose (“Central Bank Account”) reimburse VENDOR for the amounts charged for WIC Foods purchased with food instruments, subject to the following terms and conditions:
- a) VENDOR shall handle all paper check food instruments received by VENDOR in the same manner as checks received by VENDOR; provided, however, that all negotiable food instruments received by VENDOR must be deposited for payment to the Central Bank Account within sixty (60) days of the “First Date to Use” printed on the check.
 - b) VENDOR shall, prior to submission of paper check food instruments for payment, stamp upon each food instrument the STATE AGENCY identification number for the specific retail food outlet, using the VENDOR stamp provided by the STATE AGENCY, at which the food instrument was presented. The first VENDOR stamp will be provided at no charge to each VENDOR outlet; VENDORS will be billed for any additional stamps requested by the VENDOR. In addition to the VENDOR’S own bank fees, the VENDOR shall be assessed a fee of \$0.85 per check, which is subject to change according to the Bank’s processing costs, when the food instrument is rejected by the Central Bank Account because a Nevada WIC Stamp has not been properly placed on the paper food instrument before submission for payment.
 - c) VENDOR is responsible for notifying the STATE AGENCY of any changes to their banking relationships.
 - d) If authorized to accept EBT, VENDOR agrees to transmit one (1) “End of Day” settlement transaction for each outlet during each host settlement cycle, for each day on which such outlet is open for business. STATE AGENCY or its contractor(s) will transfer all funds owed to the VENDOR from processing EBT transactions on a net credit basis to the VENDOR Receiving Depository Financial Institution (“VDFI”). STATE AGENCY or its contractor(s) will authorize its bank to utilize the automated clearing house (“ACH”) as the transfer agent for all net credit settlements owed to the VENDOR. STATE AGENCY or its subcontractor(s) will initiate the ACH transfer no later than the next banking day following VENDOR’S processing an “End of Day” (once a day) settlement transaction and the EBT host completing its daily processing cycle, with the exception of settlement of manual EBT transactions.
 - e) If authorized to accept EBT, VENDOR may, at its sole election, accept manual EBT transactions(s) in the event the EBT System fail to process an EBT transaction and/or print benefit redemption information, i.e. receipt. The following procedures apply to EBT manual transaction:
 - 1. VENDOR shall obtain an authorization number from the EBT system Customer Service department before completing a manual purchase, manual refund or forced credit transaction.

2. VENDOR acknowledges that settlement of funds for manual EBT transactions will be delayed and that payment of manual EBT transactions is guaranteed by WIC only if VENDOR receives authorization for redemption of benefits in accordance with the procedures outlined herein.
 3. VENDOR shall use diligent efforts to verify the identification of the recipient before processing a manual transaction.
- f) STATE AGENCY shall ensure that VENDOR is reimbursed for the amount of paper check food instruments properly received and submitted by VENDOR for payment within sixty (60) days of receipt of such food instruments in the Central Bank Account.
 - g) In view of Federal immunity from State claims or review, the STATE AGENCY may not conduct on-site monitoring reviews of commissaries (except upon invitation by the constituted military authority) or require claims to be paid. However, a STATE AGENCY may review redeemed food instruments prior to payment. If the food instruments are found to contain errors or omissions, payment may be denied unless or until further justification is provided by the submitting commissary.

If the STATE AGENCY identifies a possible problem, it shall write the commanding officer of the installation requesting repayment, investigation, or other appropriate action. The commanding officer of the installation or his designee shall take necessary action and promptly reply to the STATE AGENCY, including repayment, if appropriate. VENDOR shall not seek restitution from any WIC participant for food instruments not paid by STATE AGENCY or for refunds requested by STATE AGENCY.
 - h) VENDOR shall be accountable for all actions of VENDOR'S owners, officers, managers, agents and employees.
5. Electronic Benefit Transfer. VENDOR agrees that STATE AGENCY may elect at any time to use EBT as a means of payment for supplemental WIC food benefits. The vendor may elect to continue this contract using Electronic Benefit Transfer in accordance with provisions in Exhibit "D" or choose to terminate this contract at any or all outlets.
 6. Vendor Training. STATE AGENCY and VENDOR agree that adequate training of VENDOR'S employees is necessary for the effective provision of WIC Foods by VENDOR pursuant to the Regulations and this AGREEMENT, and that such training shall be provided as follows:
 - a) STATE AGENCY shall provide VENDOR with pertinent WIC Program information and guidance concerning procedures and the authorized WIC Foods, including a list of acceptable brand name products.
 - b) STATE AGENCY shall provide annual interactive training to VENDOR as required by the Regulations (7 CFR § 246.12(h)). VENDOR shall meet training criterion (one class per year) listed in Exhibit "B". STATE AGENCY shall consult with VENDOR prior to scheduling training for VENDOR'S employees in order to minimize the disruption of VENDOR'S employee work schedules; however, STATE AGENCY has sole discretion to designate the date, time and location for all interactive training. STATE AGENCY will provide at least one alternative date on which to attend such training.

- c) VENDOR shall have the Store Manager or an authorized representative and cashiers or other relevant staff attend training sessions scheduled by STATE AGENCY. VENDOR shall ensure that all VENDOR employees are adequately trained regarding WIC program rules and procedures.
7. Conflict of Interest. VENDOR shall ensure that no conflict of interest exists or occurs between VENDOR and STATE AGENCY or Local WIC Agency. VENDOR shall not permit any person or persons employed by or associated with STATE AGENCY or a Local WIC Agency to acquire or retain any interest in or relationship with VENDOR which might lead to a conflict of interest. STATE AGENCY shall terminate AGREEMENT if it identifies a conflict of interest.
8. WIC Participant Confidentiality. VENDOR shall ensure that the WIC Participant information listed on WIC checks will be kept confidential. Participant information from WIC checks may not be used or transferred to any document except those provided by the WIC Program.
9. Non-Discrimination. VENDOR shall not discriminate in providing foods or services on the basis of race, color, national origin, sex, handicap, age, or WIC participation.
10. Unauthorized use of WIC Logo and/or acronym. The United States Department of Agriculture has registered and trademarked the WIC acronym and logo and provided State WIC Agencies the discretion to authorize their use. Any use of the acronym "WIC" or the WIC logo must be prior approved in writing by the STATE AGENCY.
11. Fraud and Abuse. VENDOR hereby acknowledges and agrees that VENDOR may be prosecuted under applicable Federal, State or local laws for committing fraud or abuse of the WIC Program, and that pursuant to Regulations (7 CFR § 246.23), VENDOR shall be subject to the following penalties for willfully misapplying, stealing or fraudulently obtaining WIC funds:
- a) If the value of the funds is less than \$100, a fine of not more than \$1,000 or imprisonment for not more than one (1) year or both.
 - b) If the value of funds is \$100 or more, a fine of not more than \$25,000 or imprisonment for not more than five (5) years or both.
12. Term. The term of this AGREEMENT shall be for three (3) Federal fiscal years or portion thereof, commencing on October 1, 2006 and ending on September 30, 2009. This AGREEMENT does not constitute a license or property interest. Expiration of this AGREEMENT is not subject to appeal. STATE AGENCY will immediately terminate AGREEMENT if it determines that the vendor has provided false information in connection with its application for authorization.
13. Terminations.
- a) Either party may delete individual outlets on Exhibit "A," *Authorized Vendor Stores* in this AGREEMENT due to closure of outlet or other causes by providing thirty (30) days written notice of such termination to the other party.
 - b) Either party may terminate this entire AGREEMENT for cause by providing thirty (30) days written notice of such termination to the other party.
14. Additional or Replacement Outlet Authorization. Vendor may apply for authority to open a new or replacement outlet by completing and submitting a WIC Vendor Application for each new or replacement outlet at least Ninety (90) days prior to anticipated acceptance of WIC food instruments.

15. Contingency. This AGREEMENT is contingent upon the continued operation of the WIC Program by STATE AGENCY and the availability of federal funds. In the event of the discontinuance of the WIC Program by STATE AGENCY or the unavailability of federal funds, STATE AGENCY shall immediately notify VENDOR of the same, and VENDOR shall, if so directed, cease accepting food instruments. STATE AGENCY shall not be liable for any food instruments accepted by VENDOR following such notice by STATE AGENCY.
16. Assignability. VENDOR shall not assign any of its rights, duties or obligations under this AGREEMENT. VENDOR shall notify STATE AGENCY thirty (30) days in advance in writing when VENDOR or any authorized outlet of VENDOR ceases operations, changes of ownership or VENDOR changes location. In the event of an ownership change of VENDOR, cessation of operations, or change of location, those outlets involved in the change shall be terminated from this AGREEMENT.
17. Whole Agreement. This AGREEMENT constitutes the whole agreement of the parties, superseding and replacing any and all previous communications, representations, or agreements, whether oral or written, by and between the parties.
18. Modifications. Any modification to this AGREEMENT must be in writing and signed by the parties in order to be effective.
19. Legal Authority. The parties hereto certify that those persons signing this AGREEMENT have the legal authority to bind the party on whose behalf they are signing.
20. Compliance. VENDOR must comply with AGREEMENT and Federal and State statutes, regulations, policies, and procedures governing the Program, including any changes made during the agreement period.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the

_____ day of _____, _____.

"VENDOR"

By: _____

Print Name/Title

Date: _____

"STATE AGENCY"
NEVADA DIVISION OF HEALTH

By: _____
Administrator

Date: _____

Please provide a liaison and alternate(s) who communications may be forwarded through:

Name	Title	Phone #
_____	_____	_____
_____	_____	_____
_____	_____	_____

EXHIBIT A

**NEVADA WIC PROGRAM
AUTHORIZED VENDOR STORES**

Pursuant to the written AGREEMENT between _____ vendor name ("VENDOR") and NEVADA STATE DIVISION OF HEALTH ("STATE AGENCY"), the following constitute the sites of VENDOR which are covered by said AGREEMENT:

<u>Store #</u>	<u>Address</u>	<u>City</u>	<u>STATE</u>	<u>Zip Code</u>	<u>Food Stamp #</u>	<u>EBT</u>
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EXHIBIT B

SELECTION CRITERIA FOR AUTHORIZED STORES WIC VENDORS

Pursuant to the written AGREEMENT between VENDOR and NEVADA STATE DIVISION OF HEALTH ("STATE AGENCY"), the following constitute the selection criteria for VENDORS which are covered by said AGREEMENT:

I. Stocking Criteria

As a minimum, to be approved as an authorized WIC Vendor, the following approved WIC Foods must be maintained in stock (except for receiving approval under a limited AGREEMENT).

- 1) Infant formula with Iron from a STATE approved manufacturer, wholesaler, distributor or retailers on the STATE AGENCY'S Approved Infant Formula Supplier List (**contract brands**)
 - a. One milk-based brand, 13 oz. cans, concentrate
 - b. One soy-based brand, 13 oz. cans, concentrate
 - c. One milk-based brand, 12.9 oz. cans, powder
 - d. One soy-based brand, 12.9 oz. cans, powder
- 2) Infant Cereals - dry - without fruit added (**contract brand**)
 - a. One approved brand of plain cereal, 8 oz. pkgs.
- 3) Cereals (approved brands)
 - a. One hot cereal
 - b. Three cold cereals
- 4) Juices (approved brands)
 - a. Two flavors of 64 oz. plastic bottle or carton, single strength
 - b. One flavor of frozen or pourable concentrate, 11.5 or 12 oz. cans
- 5) Milk - pasteurized (any brand)
 - a. Whole - Vitamin D fortified
 - b. Low-fat or skim - Vitamin A & D fortified
 - c. Evaporated or Dry - Fortified
- 6) Cheese - block, sliced, or mixed (No raw milk cheese; No cheese food product or spread, No Deli cut or Shredded; No flavored)
 - a. Not to exceed \$6.00 per pound in the approved types
 - b. Two approved types (i.e., American, Cheddar, Colby, etc.)
- 7) Eggs (any brand)
 - a. Large (Note: medium size acceptable if large is out of stock)
- 8) Dry Beans, Peas, and Lentils (No bulk, No import, No seasoned mixes or soup mixes)
 - a. Three types (i.e., lima, black-eyed peas, etc.)
 - b. Not to exceed \$1.50 per pound.

- 9) Peanut Butter - commercially made, (any brand)
 - a. Creamy or chunky (No reduced fat, tubes or organic spreads; no added jelly, jam, or honey), 18 oz. jars
- 10) Tuna Fish
 - a. One brand - Packed in water, 6 oz. can or larger (No fancy, Albacore, Solid, Low sodium or diet)
- 11) Carrots
 - a. Any brand - Packaged, fresh, whole or baby (unless specified otherwise on check)

II. Price Criterion

To be approved as an authorized VENDOR, food prices must be competitive (may not be more than 5% higher than the average within the area covered by the WIC clinic) with the following exception:

- 1) VENDORS approved under a limited AGREEMENT to provide only certain foods.

III. Participation Criterion

To be approved as an authorized WIC Vendor a total of ten (10) WIC participants must be served each month, with the following exception:

- 1) VENDORS approved under a limited AGREEMENT to provide only certain foods.

IV. Prior Agreement Criterion

If a vendor has operated under a prior AGREEMENT, the terms of that AGREEMENT must have been complied with in order to have the AGREEMENT reauthorized.

V. Training

- A. To be approved as an authorized WIC vendor, VENDOR must allow STATE AGENCY to conduct training for the store manager or authorized representative and cashiers or other relevant staff prior to the issuance of WIC checks.
- B. To have the AGREEMENT re-authorized, VENDOR must schedule one (1) training class to be held at vendor location during each year of the AGREEMENT with the STATE AGENCY.

VI. No Current Disqualification Criterion

- A. Unless denying authorization of a vendor applicant would result in inadequate participant access, to be approved as an authorized WIC Vendor, no current disqualification (or civil monetary penalty assessed in lieu of disqualification for hardship and for which the disqualification period that would otherwise have been imposed has not expired) from the Food Stamp Program may exist against the vendor.
- B. To be approved as an authorized WIC vendor, VENDOR'S food stamp authorization number must be provided to the STATE AGENCY.

VII. Type of Store

The Nevada WIC Program considers for authorization regular retail grocery outlets that are open to the general public and offer a significant variety of groceries in excess of WIC approved groceries. New WIC-only stores (stores with WIC sales greater than 50% of total food sales), home delivery and direct distribution are not allowed. Pharmacies and drug stores may be approved at the discretion of the Nevada WIC Program if exceptional circumstances exist. To be approved the type of store must meet the needs of the participants and clinic within the area.

- 1) Chain Store - Urban Area.
- 2) Chain Store - Rural Area
- 3) Independent Store - Urban Area
- 4) Independent Store - Rural Area
- 5) Pharmacy/Drug Store (only if specific need is identified)
- 6) Military Commissary

VIII. Hours of Operation

To be approved as an Authorized WIC Vendor, the store hours must be appropriate for participant access (hours competitive with area retailers).

IX. Sales and Incentives

If WIC Food Instruments sales are, or likely to be greater than 50% of total annual food sales:

- 1) No offering or providing of nominal value incentive item-is allowed.

X. Ownership

To be approved, the store owner's name and address must be provided to the STATE Agency.

XI. Business Integrity

Unless denying authorization of a vendor applicant would result in inadequate participant access, to be approved, any of the store's current owners, officers, or managers may not have been convicted of or had a civil judgment entered against them during the 6 years prior to application for: fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims or obstruction of justice.

XII. Infant Formula Purchases

VENDORS and vendor applicants must purchases all standard contract and non-contract infant formula from approved sources as determined by the STATE AGENCY.

EXHIBIT C

NEVADA WIC PROGRAM AUTHORIZED WIC FOODS Participant Maximum Monthly Quantities at Time of Contract Award

INFANT FORMULA WITH IRON* *(Brand printed on check must be purchased)*

Brand	Maximum Monthly Quantity	Type
Similac Advance w/ iron CONC	31	13 oz cans, concentrate
Similac Advance w/ iron PWD	9	12.9 oz cans, ready-to-feed
Similac Advance w/ iron RTF	25	Quart, ready-to-feed
Similac Sensitive RS RTF	25	Quart, ready-to-feed
Similac Low Iron PWD	8	14.1 oz cans, powder
Similac Low Iron CONC	31	13 oz cans, concentrate
Similac Low Iron RTF	25	Quart, ready-to-feed
Isomil Advance CONC	31	13 oz cans, concentrate
Isomil Advance PWD	9	12.9 oz cans, powder
Isomil Advance RTF	25	Quart, ready-to-feed
Similac Sensitive RS RTF	25	Quart, ready-to-feed
Similac Lactose Free Advance/Sensitive PWD	9	12.9 oz cans, powder
Similac Lactose Free Advance/Sensitive CONC	31	13 oz cans, concentrate
Similac Lactose Free Advance/Sensitive RTF	25	Quart, ready-to-feed
Good Start Supreme w/ DHA & ARA PWD	10	12 oz cans, powder
Good Start Supreme w/ DHA & ARA CONC	31	13 oz cans, concentrate
Good Start Supreme w/ DHA & ARA RTF	25	Quart, ready-to-feed
NeoSure Advance PWD	9	12.9 oz cans, powder
NeoSure Advance RTF	25	Quart, ready-to-feed
Isomil DF RTF	25	Quart, ready-to-feed

* Formula with low-iron is allowed only when check specifically states infant formula with low-iron.

SPECIAL FORMULAS (Including but not limited to the following):

Brand	Maximum Monthly Quantity	Type
Nutramigen LIPIL	8	16 oz cans, powder
Nutramigen LIPIL	31	13 oz cans, concentrate
Nutramigen LIPIL - RTF	25	32 oz cans, ready-to-feed
Enfacare LIPIL	10	12.8 oz cans, powder
Pregestimil/Pregestimil LIPIL	8	16 oz cans, powder
Similac Neosure Advance	9	12.9 oz cans, powder
Alimentum Advance	8	16 oz cans, powder
Alimentum Advance – RTF	25	32 oz cans, ready-to-feed
Pediasure (regular or with fiber)	100	8 oz cans ready-to-feed
Kindercal	100	8 oz cans ready-to-feed

SAMPLE

SAMPLE

ADULT FORMULAS

Brand	Maximum Monthly Quantity	Type
Ensure	100	8 oz cans ready-to-feed
Boost	100	8 oz cans ready-to-feed

INFANT CEREALS - Dry; without Fruit added

Brand	Maximum Monthly Quantity	Type
Gerber (or other contract brand specified by STATE AGENCY)	3	8 oz boxes

CEREALS

Any combination of box sizes, the total of which *does not exceed* the amount listed on check (Box size of 10-oz. or larger).

General Mills

Cheerios (Regular and Multi-Grain)
 Chex (Multi-Bran, Wheat, Corn or Rice)
 Kix

Kellogg

Complete Wheat Bran Flakes
 Corn Flakes
 Frosted Mini-Wheats (Reg. and Bite Size)
 Mini-Wheats Raisin Squares

Nabisco

Cream of Wheat
 (Original Flavor; Any cooking time except Instant)

Quaker Oats

Life (Regular Flavor)
 Instant Oatmeal (Regular Flavor)

Post

Grape Nuts (Regular)
 Honey Bunches of Oats (Honey Roasted or Almonds)
 Banana Nut Crunch

JUICES - Unsweetened; 100% Juice

Brand	Maximum Monthly Quantity	Type
Plastic Bottled Single Strength:	6	64 oz. (plastic bottle)
Seneca Apple - Red Label Only		
Tree Top Apple-Green Label Only		
Orange, <i>Least Expensive Brand</i> Must contain 120% Vitamin C		64 oz.(plastic bottle or carton)
V-8		
Pineapple <i>Least Expensive Brand</i>		64 oz.(plastic bottle or carton)
Welch's 100% Grape, White or Purple		

Brand	Maximum Monthly Quantity	Type
Concentrate (Frozen or Pourable)	7 4	11.5 or 12 oz. cans 16 oz. cans
Orange, Least Expensive Brand, Must contain 120% Vitamin C		
Pineapple, Least Expensive Brand, Must contain 120% Vitamin C		
Seneca Apple-Red Label Only		
Welch's 100% Grape, White or Purple		12 oz. - Yellow Lid
Welch's 100% White Grape Varieties		12 oz. - Yellow Lid
Welch's Pourable Concentrates 100% Juice		11.5 oz. - Any Flavor
Tree Top Apple-Green Label Only		12 oz.

MILK - Pasteurized, Least Expensive Brand

TYPE	MAXIMUM QUANTITY
Fluid Milk Whole - Vitamins D fortified Low-fat - Vitamins A & D fortified Fat Free - Vitamins A & D fortified lactose reduced milk, if specified Acidophilus milk, if specified UHT (Shelf Stable) Milk, if specified	14 half gallons or 7 gallons or any combination of half-gallon and gallon sizes which does not exceed 14 half gallons, or other size, if specified.
Evaporated Vitamin D fortified Goat's milk, if specified	28 -13 oz. cans
Dry Milk Vitamins A & D fortified	28 quarts, reconstituted

CHEESE* - Block, sliced, or mixed - regular, low-fat, Amount variable up to 4 lbs. nonfat or fat free; Package sizes of 8 oz. or more;

**NOT TO EXCEED \$6.00 PER POUND
IN THE FOLLOWING TYPES (or any mixed combination)**

from the following list:

Processed American, Cheddar, Colby, Longhorn Style, Monterey Jack, Muenster
Mozzarella (reg. or string), Swiss

**No cheese food product or spread; No cut-to-order deli; No import; No flavored cheese; No shredded cheese.*

PEANUT BUTTER* - Commercially made - creamy or chunky 18 oz.
Any brand not to exceed for 18 oz.

**No reduced fat, tubes or organic spreads, no added jelly, jam, honey or candy chips.*

DRY BEANS, PEAS and LENTILS* - Any kind, any brand;
NOT TO EXCEED \$1.50 PER POUND; 1 - 16 oz.

** No bulk; No import; No seasoned mixes or soup mixes*

EGGS – Large* - least expensive brand available 2 dozen

** Substitution of medium for large is allowed if large not available.*

TUNA FISH* - Chunk - any brand packed in water Up to 26 oz.

** No Fancy; Albacore or Solid; No Low Sodium or “Diet”
6 oz. cans or larger*

CARROTS - Fresh, bagged, whole or baby 2 – 1 lb. Bags

EXHIBIT D

NEVADA WIC PROGRAM ACCEPTANCE OF EBT PROCESSING

A. VENDOR agrees to provide the following services and reports according to the identified timeframes:

1. **Site Modifications.** VENDOR will install, at his expense, additional lanes as levels of WIC business requires. VENDORS wanting additional lane coverage may purchase the Electronic Benefits Transfer (EBT) equipment through the STATE AGENCY at the STATE AGENCY cost for equipment. VENDOR will assume sole expense for the moving of equipment for remodeling. The STATE AGENCY reserves the right to inspect and approve all cabling and equipment before equipment is installed or reinstalled.
2. **Telephone and Power.** VENDOR shall provide analog telephone line access for the transmission of transactions. If the VENDOR does not currently have telephone service, VENDOR will bear the cost of initializing and maintaining telephone services. VENDOR shall provide power for EBT equipment.
3. **Supplies.** VENDOR shall provide adequate terminal supplies including printer paper and ribbons necessary for the VENDOR to participate in the EBT System.
4. **EBT Equipment Maintenance.** VENDOR shall assume physical control of the equipment and shall take reasonable precautions to insure the security and care of the equipment and keep the equipment in good operating condition.
5. **EBT Equipment Repair and Replacement.** VENDOR shall bear all costs associated with properly maintaining the equipment by repairing or replacing equipment which fails to operate in accordance with the manufacturer's specifications or which is damaged as the result of the failure of the Vendor to take reasonable precautions to secure or care for such equipment.
6. **Program Rules and Guidelines.** VENDOR shall adhere to, and comply with, the following EBT program rules and guidelines:
 - a) If the VENDOR processes WIC transactions, the VENDOR must be authorized by the STATE AGENCY to participate in the WIC program, must comply with all WIC Program Regulations, and have a signed Authorized WIC Vendor AGREEMENT. Nothing in this AGREEMENT is intended to conflict with, circumvent or substitute the Food and Nutrition Service (FNS) and STATE AGENCY authorization processes. The STATE AGENCY remains the approving authority for a VENDOR to act as a WIC Program retailer and this AGREEMENT supplements the governmental authorization(s) by addressing those issues specific or unique to the EBT Program. In the event of violations, the State WIC Program may withdraw this AGREEMENT.
 - b) VENDOR agrees to transmit at least one (1) "End of Day" settlement transaction per VENDOR'S Store during each Stored Value Systems Host settlement cycle, for each day on which such VENDOR'S Store is open for business. Failure to comply with this rule may result in electronic or manual WIC transactions being rejected and returned to the VENDOR, if there are insufficient funds in the recipient's WIC account ("Non-Sufficient Funds"). If transactions are rejected, the STATE is not obligated to pay or settle any such transaction. Failure to comply with this settlement requirement shall result in the loss of VENDOR'S reimbursement rights.

- c) VENDOR shall place STATE AGENCY provided signs in the VENDOR'S Store(s) identifying which lane(s) accept EBT Cards without overtly identifying or otherwise singling out WIC EBT card users through the use of signs or procedures that reference the EBT card users' public assistance status.
- d) VENDOR shall accept all WIC transactions and valid Cards when properly tendered as payment for allowable WIC purchases, without discrimination. Vendor shall accept all transactions provided cardholder presents a valid PIN, unless the Vendor has reason to feel there is something wrong at the time of transaction. A signature shall not be required in addition to a PIN except when required as part of an approved manual voucher transaction.
- e) VENDOR shall provide Card users with a transaction receipt for each electronic or manual WIC transaction, including a copy of the manual voucher for non-electronic transactions.
- f) VENDOR shall not disclose to any person or entity, other than the STATE AGENCY, United States Department of Agriculture and its agents, and the recipient, account information which is contained on the transaction receipt.
- g) VENDOR shall place the equipment in a convenient, easy to access and visible location.
- h) VENDOR shall maintain its copy of electronic and manual transaction receipts for a period of three (3) years following the transaction date as per FNS Regulation 7 CFR 272.1(f). In the event a system or equipment problem prevents the electronic transmission of EBT transaction to the EBT System, the VENDOR may be required to submit a copy of the transaction receipt(s) to Stored Value Systems (SVS), for restoration of such transactions. If the VENDOR fails to provide such copy of transaction receipts(s) promptly upon SVS'S request, the STATE AGENCY shall not be obligated to restore the transaction(s) or remit payment to the VENDOR.
- i) Manual transactions do not require the electronic entry of the recipient's PIN; hence, the VENDOR shall use diligent efforts to identify the customer before processing a manual transaction. If a recipient denies engaging in or authorizing a manual transaction, the STATE may require the Vendor to submit a copy of the transaction receipt to validate the transaction. Such receipt shall be delivered to the STATE AGENCY'S subcontractor, SVS, within seven (7) days of the request. If the VENDOR fails to provide SVS with the requested receipt within the seven (7) day period, or if the recipient subsequently files an affidavit of forgery, SVS may reverse the transaction, thereby providing the recipient credit for the manual transaction in question and reducing the STATE AGENCY'S next settlement deposit by an equal amount. In such event, the STATE shall provide the VENDOR with a copy of the recipient's forgery affidavit.
- j) The STATE AGENCY'S subcontractor, SVS, shall consider as **CONFIDENTIAL**, and shall not disclose to any person or entity, other than the Federal governing agency and the STATE AGENCY, proprietary transaction information which enters the EBT System from the Vendor's Store(s), without prior written consent from the VENDOR.

7. **Financial Accounting.** Vendors shall submit, as applicable, a complete financial accounting of all expenditures to the Health Division within 30 days of the CLOSE OF THE CONTRACT PERIOD.

B. The Nevada STATE Health Division agrees:

1. **Terminal Equipment.** The STATE AGENCY will provide and install the basic Electronic Benefits Transfer (EBT) setup for one checkout line, consisting of one (1) each of the following:
 - a) Point of Sale Computer
 - b) EBT terminal with integrated printer and stand
 - c) Hand held WIC scanner
 - d) Balance Inquiry terminal with integrated printer and stand
 - e) Network Interface Connector
 - f) AEM 10 or AEM 11 cable
 - g) Modem

VENDOR shall provide STATE AGENCY employees reasonable and peaceful access to the VENDOR'S Store(s) to effect Terminal Equipment installation, removal and maintenance of software.

2. **Software.** The STATE AGENCY will install and maintain system software. The STATE AGENCY will install necessary upgrades to the system software. VENDOR may not sublicense, sell, modify, tamper with, copy, reproduce, reverse-engineer, remove, or transfer system software or firmware. VENDOR shall bear installation cost if software is damaged due to VENDOR negligence.

3. **Employee Training.**

- a) The STATE AGENCY will provide technical assistance for the employees of the VENDOR on the use and operation of the Equipment.
- b) The VENDOR may select any combination of the following three training modules:
 - 1) **On-site Training.** Instructional training is conducted at the Vendor's Store(s), designed to teach VENDOR'S cashier and supervisory personnel how to use and operate the Equipment
 - 2) **Off-site Training.** Instructional training, conducted at a location determined by the STATE AGENCY designed to teach VENDOR'S cashier and supervisory personnel how to use and operate the Equipment
 - 3) **Train the Trainer.** Instructional training, designed to teach the VENDOR's training or supervisory personnel this training module, will be available at a central location determined by the STATE AGENCY.
 - 4) **Customer Service.** The STATE AGENCY, through SVS, will provide a 24 hour, 7 days a week, customer service department known as the SVS Customer Service Department, which will provide assistance to the Vendor, Card users, and applicable governmental agencies.

C. Both parties agree:

1. **Fees.** The STATE AGENCY shall not be obligated to pay the VENDOR any fee arising out of, or associated with, operating, maintaining, or processing WIC transactions through the use of the EBT System. Likewise, the VENDOR shall not be obligated to pay the STATE AGENCY any fee arising out of, or associated with, operating, maintaining, or processing electronic FS and/or WIC transactions through the use of the EBT System. The VENDOR shall not charge the Card user any transaction fee, either directly or indirectly, arising out of, or associated with, operating, maintaining, or processing electronic WIC transactions through the use of the EBT System
2. **Taxes.** The STATE AGENCY shall not be obligated to pay any assessment, license fee, tax, use, excise, personal property, ad valorem, stamp, documentary, occupational, or other taxes and/or any other governmental charge, fee, fine, or penalty whatsoever, relating to the VENDOR'S operations or use of its owned or leased VENDOR'S store(s).
3. **No Offset.** This AGREEMENT is made on a strictly "net" basis, and unless and to the extent decreed otherwise by a court of competent jurisdiction, all fees or other payment obligations due to the STATE AGENCY hereunder shall be paid by the VENDOR notwithstanding any set-off, counterclaim, recoupment, defense, or other right which the VENDOR may have against the STATE AGENCY, equipment manufacturer(s), sub-contractor(s), or any other person or entity.