



Section

**VENDOR**

Subject

**CONTRACTS****SUMMARY**

The Vendor Memorandum of Understanding (contract) authorizes a grocer to participate in WIC. Local agency staff decide which grocers they will authorize according to whether or not grocers meet the selection criteria.

Understanding the many requirements of the Program is critical, and the vendor should look through the contract and all of its attachments carefully. It is a good time to train vendors about the WIC Program when signing the initial contract, as well as, when renewing the contract with an existing vendor. An application form must be completed by the grocer during the initial authorization and any time a contract is renewed thereafter.

**DESIGNATION OF SIGNING CONTRACTS**

The State has designated the Local Vendor Coordinator in each agency to complete the application process and the authority to sign the contract for all vendors in their respective agencies. The state will provide the Local Vendor Coordinators with the contract template and attachments to be used and guidance to ensure the uniformity and quality of the authorization process statewide.

**PRE-AUTHORIZATION VISIT**

New grocers must sign a contract prior to accepting WIC checks or Cash Value Vouchers (CVV's). Staff must visit the store and conduct a pre-authorization visit. They should look for the following things:

- Is the store clean and safe?
- Is the store stocked with the minimum varieties and quantities of WIC foods as outlined in the stocking requirements?
- Are the shelf prices equivalent to the prices that were submitted on the price list and are they similar to other stores in their peer group?
- Do the cash registers each have a WIC food list?
- Does their system, if computerized, recognize the appropriate WIC foods? If system is not computerized, find out how store plans to determine whether a food is WIC allowable.
- Are they able to make accommodations for the CVV with their cash register system?

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- Is the store willing to accept training annually on WIC procedures?

**TIME PERIODS**

New or problem grocers should be contracted for six months to one year. Grocers with good compliance may have a contract period up to three years.

Vendors on WIC must have their contract renewed within 30 days of expiration of the old contract.

**COMPLETING THE CONTRACT**

1. Record the time period of the initial contract as the date the contract is signed as the beginning date. Determine the length of the contract and choose the appropriate end date. For example, "from December 1, 2009 through November 30, 2012." For contract renewals, make sure to renew within 30 days of the end date, and future date the new beginning date to make sure that there is not a gap in contract dates. Ex. Current contract goes from October 1<sup>st</sup>, 2006 through September 30<sup>th</sup>, 2009. If renewing the contract on September 1<sup>st</sup>, 2009, make the new contract period to start with October 1<sup>st</sup>, 2009.
2. When a vendor is not required to provide all WIC foods, check the appropriate box on the first page of the contract, end of paragraph one. For example, if contracting with a pharmacy for special formula, check the first box after the first paragraph, indicating a pharmacy only contract.

**COMPONENTS OF CONTRACT**

The contract is made up of several documents:

- The contract language itself, followed by a signature section for the store staff and local WIC staff
- The ND WIC Selection criteria
- The minimum quantity and variety stocking requirements
- The Mandatory sanctions



North Dakota  
WIC

**Food Delivery**

Section

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CONTRACTS

- The State agency sanctions
- The ND WIC Vendor Administrative Review Fact Sheet

#### OWNERSHIP CHANGE

Contracts must be renewed when the store ownership changes. In the case of ownership change, the vendor should be treated as a “new” vendor. Any necessary training should be provided, as well as, a preauthorization visit, and completing the application and price list. WIC staff should complete the Vendor Approval form.

A new vendor ID must be generated by entering the new vendor into WICnet. Select “new vendor” and enter the store into WICnet. This will generate a new Vendor ID number that the store must now use. Remember to put a “closed” status on the existing vendor when the ownership change takes place.

#### PROGRAM CHANGES

Vendors must be notified of any program or policy changes at least 30 days before the changes are implemented.

#### MONITORING 50% STATUS

The local agency will evaluate the 50% status for stores at application and will continue to monitor the 50% status within six months of authorization, annually and at reauthorization. The monitoring of the 50% status should be documented in the Vendor Log in WICnet for each vendor.

#### CONTRACT NOT RENEWED

Notify the State WIC office when contracts are not renewed.

NOTE: If you have a client who shops at a store outside of your county, call the neighboring WIC office to see if the grocer has a contract.

#### PARTICIPANT ACCESS

Vendors are authorized based on the selection criteria components. Before a store is denied or removed, participant access is considered. Due to the different geographical (urban vs. rural) areas of the state, each situation is considered on an individual basis.

#### VENDOR CONFIDENTIALITY

Any information of a vendor that individually identifies the vendor, except name, address, telephone number, email address, website, store type, and authorization status, must be kept confidential and should not be shared or exchanged.