

Vendor I.D.: _____

**ARIZONA DEPARTMENT OF HEALTH SERVICES
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM
FOR WOMEN, INFANTS AND CHILDREN (WIC)**

VENDOR CONTRACT

VENDOR NAME (Legal Name of Store): _____

NAME OF OWNER: _____

ADDRESS OF STORE: _____
Street

City County State Zip Code + 4

FEDERAL IDENTIFICATION NUMBER: _____

This Contract by and between the Arizona Department of Health Services (hereafter referred to as the Department) and the above named Vendor is effective _____ and ends September 30, 2008, subject to any amendments made by the Department or until terminated by either party according to the terms in the Contract.

The purpose of this Contract is to provide authorized Vendors at which WIC participants, parents or caretakers of infant and child participants, or proxies (hereafter collectively referred to as participants) can get authorized WIC foods, and to provide the terms and conditions for Vendors and the Department to follow during transactions arising out of this Contract.

This Contract is contingent upon the availability of funds from the Federal government to operate the WIC program and the continued operation of the WIC program by the Department. This Contract shall not constitute a license or a property interest.

This Contract is in effect for the period indicated on page one. Neither the Vendor nor the Department is obligated to renew this Contract or enter into a new Contract at the expiration or the termination of this Contract.

GENERAL TERMS

1. The federal statutes and regulations that govern the WIC Program, the Arizona WIC Program Vendor Manual and any amendments or additions thereto, and the WIC Policy and Procedure Manual are incorporated in this Contract by reference.
2. If any provision of this Contract conflicts with federal statutes or regulations that govern the WIC program, the federal statutes or regulations shall govern. If any provision of this Contract conflicts with the Vendor Manual, the Vendor Manual shall prevail.
3. Any provision of this Contract, or any document attached or incorporated by reference, that is waived or held to be invalid shall be severable from the remainder of this Contract and shall not affect any other provisions of this Contract. Any provision to this Contract that is found to be prohibited by law shall be severable and shall be in effect only to the extent such provision complies with the law.
4. Arizona law shall govern all aspects of this Contract not covered by federal statutes or regulations or the Vendor Manual.
5. This Contract, Appendices and all incorporated documents represent the entire agreement between the Vendor and the Department. No condition or requirement contained in, or made a part of, this Contract shall be modified without an approved, written amendment to this Contract. Amendments shall be effective only if in writing and signed by all parties to the Contract. The terms and provisions of this Contract shall remain in full force and effect except as amended and to the extent so amended.
6. The Vendor shall be considered an independent Contractor, not an agent of the Department, the State of Arizona, or the United States government.

VENDOR RESPONSIBILITIES

THE VENDOR SHALL COMPLY WITH:

- a. This Contract and the Arizona WIC Program Vendor Manual, and any subsequent amendments or additions thereto.
- b. Federal and state statutes (including 42 U.S.C. § 1786) and regulations (including United States Department of Agriculture (hereafter USDA) regulations 7 C.F.R. § 246.1 *et. seq.*) that govern the WIC program, including any changes made during the agreement period.
- c. The Arizona WIC Program Policy and Procedure Manual and any amendments or changes thereto.
- d. The Vendor selection criteria throughout the Contract period, including any changes to the criteria. Using the current Vendor selection criteria, the Department may reassess the Vendor at any time during the Contract period. The Department will terminate and/or disqualify the Vendor if the Vendor fails to meet the current selection criteria. The Vendor may also be subject to other sanctions, including administrative fines, termination, disqualification, and civil money penalties, or any combination of sanctions, according to the Violations and Sanctions section of the Vendor Manual.

THE VENDOR AGREES TO:

1. Have at least one representative participate in training annually. Vendor training may be provided by the Department in a variety of formats, including newsletters, videos, and interactive training. The Department will have sole discretion to designate the date, time, and location of all interactive training, except that the Department will provide the Vendor with a least one alternative date on which to attend such training.
2. Train and update cashiers and other employees who handle WIC purchases on WIC program requirements and provide special or additional training to employees as required by the Department to ensure that all cashiers and other employees who handle WIC purchases understand WIC program requirements.
3. Be held responsible and accountable for the actions or inactions of its owners, officers, managers, agents, and employees who commit Vendor Violations.
4. Maintain the required types and amounts of WIC authorized foods at all times. The required types and amounts of WIC authorized foods are found in the most current Arizona WIC Programs Food List and Section 2 of the Vendor Manual (Minimum Stock Requirements).
5. Maintain the minimum required stock from the date it submits its application to be a Vendor and, if authorized, throughout the entire contract period.
6. Submit semi-annual (March 15th and September 15th) WIC Vendor Price/Stock Report forms as required by the Department.
7. Maintain its store in a clean and sanitary manner by:
 - a. Keeping freezer and refrigeration equipment that stores WIC authorized food at the required safe temperatures.
 - b. Maintaining and displaying a current Health Code Operating Permit.

The Vendor must also notify the Department immediately and in writing should the current Health Code Operating Permit and any required license or certificate be denied, suspended or revoked. If the department becomes aware that the Vendor has failed to maintain sanitation or food safety standards, it may notify the proper regulatory office.

8. Display the “We Accept Arizona WIC Food Instruments” decal so that WIC participants will see that the Vendor accepts WIC food instruments.
9. Accept WIC food instruments only from WIC authorized participants.
10. Offer program participants the same courtesies offered to other customers.
11. Accept WIC food instruments only within the specified time period. (See Section 5 of the Vendor Manual (Cashing Food Instruments)).
12. Ensure that the cashier enters the correct date in the “date of use” box when the WIC food instrument is used.
13. Charge the WIC Program the current shelf price for each WIC supplemental food item. The current shelf price is the price marked on the item, shelf, container or nearby sign and includes the sale price of an item.
14. Charge the WIC Program for only those supplemental food items actually received by the WIC participant.
15. Ensure that the cashier enters the correct total price on the WIC food instrument before the participant signs it.
16. Ensure that the cashier witnesses the participant’s signature on the food instrument and ensure that the signature on the food instrument matches one of the signatures on the ID folder or Proxy Certification form. (See Section 5 of the Vendor Manual (Cashing Food Instruments)).
17. Provide authorized supplemental food items in the amounts listed on the food instrument in exchange for WIC food instruments.
18. Not require identification from WIC participants other than the WIC ID folder or the WIC Proxy Certification form.

19. Not provide unauthorized food items, non-food items, cash or credit (including rainchecks) in exchange for WIC food instruments.
20. Not provide refunds or permit exchanges for authorized supplemental WIC food items obtained with WIC food instruments, except for exchanges of an identical authorized supplemental food item when the original authorized supplemental food item is defective, spoiled, or has exceeded its “sell by”, “best if used by” or other date limiting the sale or use of the food item. (An identical authorized supplemental food item means the exact brand, type and size of the original authorized supplemental food item obtained and returned by the participant).
21. Not collect sales tax or other taxes on authorized WIC foods purchased with WIC food instruments.
22. Not allow the purchase of alcohol, alcoholic beverages, tobacco or tobacco products in exchange for WIC food instruments.
23. Not provide WIC food items, including infant formula, that are expired, spoiled or beyond their “sell by”, “best if used by” or other date limiting the sale or use of the food item in exchange for WIC food instruments.
24. Not approach, solicit or leave advertisements or other promotional items for WIC applicants or participants at the WIC State Agency or Local Agency WIC Clinics.
25. Not use the acronym “WIC” or the WIC logo with out written approval from the Department and the USDA. The WIC acronym and WIC logo are registered trademarks of the USDA.
26. Not allow the return of food purchased with WIC food instruments in exchange for cash, credit, non-food items or unauthorized food items.
27. Not allow the sale of firearms, ammunition, explosives or controlled substances as defined in 21 U.S.C. § 802 in exchange for WIC food instruments.
28. Maintain competitive prices for WIC authorized food items.
29. Notify the Department in writing at least 30 days before the Vendor stops doing business, the ownership changes, or the store location changes.
30. Return all Vendor identification stamps to the Department within ten calendar days from the date the Vendor stops doing business, changes ownership, or no longer participates in the Arizona WIC Program.
31. Ensure that no conflict of interest, as defined by state statutes, regulations or policies, exists between the Vendor and the Department or its local agencies
32. Permit announced and unannounced visits by Department, state, local and federal representatives to review compliance with WIC program requirements.
33. Maintain records as required under this Contract for a minimum of five years.

RESPONSIBILITIES OF THE DEPARTMENT

THE DEPARTMENT WILL:

1. Provide the Vendor with a copy of the Arizona WIC Program Vendor Manual.
2. Train WIC participants regarding program procedures for the use of WIC food instruments. Training may be provided by local agencies.
3. Provide the Vendor with all required training, including one interactive training, during the Contract period.
4. Notify Vendors of changes to federal or state statutes, regulations, policies or procedures governing the WIC Program before the changes are implemented. This includes notifying the Vendor of any changes in the WIC approved foods and changes which affect WIC food instrument redemption or program requirements.

5. Monitor the Vendor for compliance with federal and state statutes, regulations, rules, policies and procedures. Monitoring may include, but is not limited to, routine monitoring visits, undercover compliance buys, investigations, and inventory audits.
6. Enforce compliance with this Contract, federal and state statutes, rules, regulations, policies and procedures.
7. Make payments to the Vendor in accordance with the WIC food instrument redemption procedures set forth in this Contract and in the Vendor Manual, including subsequent revisions.

PAYMENT TO VENDORS AND CLAIMS

The Department may make price adjustments to the purchase price on food instruments submitted by the Vendor for redemption to ensure compliance with the price limitations applicable to the Vendor (see Section 6 of the Vendor Manual (Payments)).

1. The Vendor shall:
 - a. Mark all WIC food instruments “For Deposit Only”;
 - b. Stamp all WIC food instruments with its WIC Vendor ID prior to deposit;
 - c. Endorse all food instruments to show:
 1. The Vendor’s Name;
 2. Name of the Vendor’s bank;
 3. The Vendor’s bank account number;
 4. That the payee and Vendor’s endorsement matches (on replacement food instruments); and
 - d. Deposit in the Vendor’s named bank for payment not later than:
 1. 60 calendar days from the first date to use for regular food instruments; or
 2. 30 calendar days from the issue date for replacement food instruments (food instruments issued after a second level review has determined payment should be made for a rejected food instrument).
2. Food instruments rejected due to a missing Vendor ID stamp shall be stamped and redeposited by the Vendor, one time only, not later than 60 calendar days from the first date to use (see Section 6 of the Vendor Manual (Payments)).
3. The Vendor shall not submit WIC food instruments for payment that:
 - a. Are known to have been reported as either lost or stolen;
 - b. Were redeemed by another authorized Vendor or a store that is not currently authorized as a WIC Vendor;
 - c. Include charges for foods not included on the Arizona WIC Programs Food List or for non-food items;
 - d. Include charges for WIC foods in excess of the quantities specified on the food instrument;
 - e. Are false claims for reimbursement of WIC food instruments; or
 - f. Include charges for WIC foods for more than the current shelf price.
4. The Vendor agrees that the Department may authorize the Department’s Banking Contractor to reject food instruments for payment to the Vendor for, but not limited to, the following reasons (see Section 6 of the Vendor Manual (Payments)):
 - a. The food instrument does not have a legible authorized Arizona WIC Vendor ID stamp number;
 - b. The food instrument was deposited in the bank more than 60 calendar days from the first date to use for the food instrument or more than 30 calendar days from the issue date for the replacement food instrument (food instruments issued after a second level review has determined payment should be made for a rejected food instrument);
 - c. The food instrument was accepted or deposited in the bank before the first date to use;
 - d. The food instrument was accepted or deposited in the bank after the last date to use;
 - e. The food instrument does not have the signature of the participant;
 - f. The food instrument has been altered;
 - g. The redeemed dollar value exceeds the maximum dollar value;
 - h. The redeemed dollar value is in excess of the amount set by the Department as the maximum price permitted for food items listed;
 - i. The date of use on the food instrument is before the first date to use printed on the food instrument or the date of use is after the last date to use printed on the food instrument; and
 - j. The date of use on the food instrument is missing.

5. The Department may delay payment or establish a claim in the amount of the full purchase price of each food instrument that contained Vendor overcharges or other errors. The Department will provide the Vendor with an opportunity to justify or correct a Vendor overcharge or other error. The Vendor must pay any claim assessed by the Department. In collecting a claim, the Department may offset the claim against current and subsequent amounts to be paid to the Vendor.
6. In addition to denying payment or assessing a claim, the Vendor may be sanctioned for Vendor violations found in the Contract and in the Violations and Sanctions section of the Vendor Manual (Section 9). Sanctions may include administrative fines, termination, disqualification, and civil money penalties in lieu of disqualification, or any combination of sanctions.
7. The Vendor may request reimbursement from the Department not later than 90 calendar days from the first date to use on the food instrument for any food instrument rejected for payment, other than a food instrument rejected for a missing Vendor ID stamp. Reimbursement of a rejected food instrument shall be in accordance with the Vendor Manual (see Section 6 of the Vendor Manual (Payments)).
8. The Department shall not be obligated to reimburse the Vendor for a food instrument reported as lost or stolen.
9. The Vendor may not charge participants for authorized supplemental foods obtained with food instruments. In addition, the Vendor may not seek restitution from these individuals for food instruments not paid or partially paid by the Department.
10. The Department shall not be obligated to reimburse the Vendor for any bank fees.

MULTIPLE LOCATIONS

Vendors shall provide with their application a current list of all individual store locations that are to be authorized under this Contract. Multiple store locations may be added or deleted in accordance with WIC program policies and procedures without affecting the status of any other location.

The Vendor shall notify the Department in writing not less than 30 calendar days before adding or deleting a location. (See Section 10 of the Vendor Manual (Rights and Responsibilities)).

BANKING

The Vendor shall provide the Department with the name, address, branch, and account number for the bank that the Vendor has authorized to accept its food instruments for deposit. The Vendor shall notify the Department in writing of any change in its bank account at least 30 calendar days before the change takes place.

MONITORING AND AUDIT

The Department shall monitor the Vendor. The Vendor shall comply with the inspection and audit requirements described in A.R.S. § 35-214.

Monitoring may include, but is not limited to the following:

- a. Unannounced monitoring visits by Department personnel or persons authorized by the Department; representatives from the United States Department of Agriculture or other federal agencies; federal, state or local law enforcement agencies; or authorized personnel from local WIC agencies.
- b. Compliance buys, which are undercover investigations to determine compliance with WIC requirements.
- c. Inventory audits.

During monitoring visits, the Vendor shall provide access, during normal business hours, to all WIC food instruments, shelf prices, shelf price records, purchase records of WIC authorized foods, and food storage areas.

VIOLATIONS – CARRYOVER

Violations of the WIC Program that would result in federally mandated sanctions, which occurred during the previous Contract period, may be carried over and used as a basis for termination and/or disqualification or other sanctions (including monetary claims) under any subsequent Contracts in accordance with the most recent Violations and Sanctions section of the Vendor Manual.

VENDOR RECORD REQUIREMENTS

1. In accordance with A.R.S. § 35-214, the Vendor shall retain records including all books, accounts, reports, files, purchase invoices, inventory records, records used for federal tax reporting purposes and other records relating to the performance of this Contract for a period of five years from the date of, whichever is later;
 - a. Expiration of this Contract;
 - b. Termination of this Contract;
 - c. Final payment under this Contract.
2. The Vendor shall retain records related to disputes, litigation, settlements of claims, or exceptions of the Director arising out of the performance of this Contract until such time as these matters have been finally resolved or for five years, whichever is later.
3. Upon request, the Vendor shall make available to representatives of the Department; the USDA; any law enforcement agency; Department of the Attorney General; or the Comptroller General of the United States, at any reasonable time and place for inspection and audit, all food instruments in the Vendor's possession and all program related records.
4. The Vendor shall, at its own expense, provide a legible copy of all such records to the Arizona WIC Program within 30 calendar days of the written request of the Department or the USDA.
5. The Vendor shall retain and produce for inspection and audit the original of all such records when needed to verify the authenticity of a copy.

PURCHASE AND INVENTORY RECORD REQUIREMENT

Vendor purchase records shall reflect the name and address of the supplier, distributor, wholesaler or manufacturer, the date of the purchase, list of the items purchased, size, stock number, quantity and the unit price. Vendor purchase records shall be maintained for five years. (Handwritten invoices are not acceptable).

Vendors shall only purchase infant formula from sources on the Arizona WIC Program's list of infant formula manufacturers, wholesalers or distributors.

Sales receipts for WIC authorized foods (other than infant formula) purchased at retail establishments (for resale by the Vendor) must include the name and address of the retail establishment, the date of the purchase, a description of the exact item(s) purchased (e.g. 12 oz box of Total Cereal), the unit price of the items, and the total amount purchased.

- a. Receipts that do not completely describe the actual item purchased shall have codes that can be verified by contacting the retailer at which the item(s) were purchased.
- b. All receipts from purchases at retail establishments must be machine dated by the establishment. Hand or manually dated retail store receipts are not acceptable.
- c. Affidavits, Statements of Fact, other written statements, or oral statements shall not be accepted as evidence of inventory. Only purchase records or retail receipts as described above in this section shall be accepted and constitute evidence of inventory.

RELEASE OF VENDOR RECORDS

1. The Department has the right to coordinate Vendor monitoring with the Inter Tribal Council of Arizona, Inc. (ITCA) and the Navajo Nation WIC Programs. This shall include, but is not limited to, joint investigations, compliance investigations, inventory audits and access to Vendor records.
2. The Department may share records and information concerning the Vendor's participation in the WIC Program with other entities responsible for oversight, administration or enforcement of the WIC Program or the Food Stamp Program. These persons may include personnel from its local agencies and other WIC State and local agencies and persons investigating or prosecuting WIC or Food Stamp Program violations under federal, state or local law or with persons directly connected with the administration or enforcement of any federal or state law.

NOTIFICATION OF NAME, MAILING ADDRESS OR TELEPHONE NUMBER CHANGE

The Vendor shall notify the Department in writing at least 30 calendar days before any change in the store name, the store's mailing address, or the store's telephone number. A change in Vendor location is not a change in mailing address.

CHANGE OF OWNERSHIP

This Contract is not transferable between owners and establishments. The Contract will be terminated when the Vendor changes ownership. The Vendor shall notify the Department at least 30 calendar days before a change in ownership, including bankruptcy of an authorized Vendor (see Section 13 of the Vendor Manual (Appendix 3 – Selection and Authorization)).

CHANGE IN LOCATION

Vendors who change the location of their business will not be authorized at their new location unless they have applied to the Department for authorization; have met all selection and authorization criteria; and have received a Vendor Contract for the new location.

Vendors shall notify the Department in writing at least 30 calendar days before changing locations. This Contract is not transferable between locations. The Contract will be terminated when the Vendor changes location.

CLOSING OF THE BUSINESS

The Vendor Contract will be terminated when the Vendor ceases operation as a food store for any reason. The Vendor shall notify the Department in writing at least 30 calendar days before closing their business.

TERMINATION AND EXPIRATION OF THE CONTRACT

The Department will immediately terminate the Contract and disqualify the Vendor for one year if it determines that the Vendor has provided false or misleading information in connection with its application for authorization.

The Vendor or the Department may terminate this Contract for cause after providing at least 30 calendar days advance written notice. The Department may terminate this Contract and/or disqualify the Vendor for, but not limited to, the reasons stated below:

- a. Failure of the Vendor to comply with the conditions and responsibilities set forth in this Contract; the most recent federal regulations at 7 C.F.R. § 246.1 *et. seq.*; the WIC Vendor Manual, including Section 9 (Violations and Sanctions); the Department's WIC Policies and Procedures; and subsequent amendments and revisions to these documents.
- b. Low volume of WIC sales (see Section 13 of the Vendor Manual (Appendix 3 Selection and Authorization)).
- c. Termination of the WIC Program or the non-availability of funds.
- d. Non-competitive prices.
- e. Failure to pay claims.
- f. Failure to maintain business integrity
- g. Fraud.

The Department may terminate a Vendor without cause with at least 30 calendar days advance written notice.

The Contract expires and ceases to be effective when the end date specified in the Contract has been reached. Expiration of the Contract is not subject to appeal or to a fair hearing.

After the expiration or termination of the Contract, the Vendor must reapply for authorization. If a Vendor is disqualified, the Department will terminate the Vendor's Contract and the Vendor will have to reapply for authorization in order to be authorized after the disqualification period is over. In all cases, the Vendor's new application will be subject to the Department's Vendor selection criteria and any criteria the Department uses to limit the number of Vendors it will authorize.

Disqualification from the WIC Program may result in disqualification as a retailer in the Food Stamp Program. Such disqualification may not be subject to administrative or judicial review under the Food Stamp Program.

The Department will not accept or process an application from a Vendor during any period of disqualification.

APPEAL AND FAIR HEARINGS

The Vendor has the right to appeal (request a fair hearing) certain adverse actions of the Department which result in denial of an application for a Vendor Contract, administrative fines, civil money penalties, termination of a Vendor Contract or disqualification from the WIC program. The Vendor appeal rights and fair hearing procedures are found in Section 10 (Rights and Responsibilities) of the Vendor Manual. A copy of the Vendor's appeal rights and fair hearing procedures will be sent with any adverse action notice.

CRIMINAL PENALTIES

A Vendor who commits fraud or abuse in the WIC Program is liable to prosecution under applicable federal, state or local laws. Under federal law, those who have willfully misapplied, stolen or fraudulently obtained program 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.

BUSINESS INTEGRITY

The Vendor shall comply with the business integrity requirements as stated in federal statutes and regulations that govern the WIC Program and in the Vendor Manual (see Section 13 (Authorization and Selection)).

CONFLICT OF INTEREST

1. The Vendor ensures that no conflict of interest shall exist with either the Department or local agencies. A conflict of interest relates to the standard of ethical conduct that no officer or employee shall have any interest, financial or otherwise, direct or indirect, or engage in any business transaction, or professional activity or incur any obligation of any nature which is in conflict with the discharge of a person's duties.
2. The Department will immediately terminate this Contract as authorized by A.R.S. § 38-511 upon notification of the parties should such conflict of interest arise after the acceptance of this Contract by the parties. A.R.S. § 38-511 provides:
 - a. Such cancellation shall occur without any further obligation;
 - b. Conflict of interest shall include, but is not limited to, situations where any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on the behalf of the State, its political subdivisions, or any of the departments or agencies of either is, at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to this Contract in any capacity or a consultant to any other party of the Contract with respect to the subject matter of this Contract;
 - c. Cancellation under this section by the State or its political subdivisions shall be effective when written notice from the Governor or the chief executive officer or governing body of the political subdivision is received by all other parties to this Contract unless the notice specifies a later time.

ATTORNEY FEES AND COSTS

If a Vendor initiates an action, appeal, or lawsuit against the Department relating to the terms of this Contract in any administrative or judicial tribunal of competent jurisdiction, and the Department prevails, the Vendor shall pay the Department's reasonable attorneys' fees and costs. The administrative or judicial tribunal of competent jurisdiction where the action, appeal, or suit was adjudicated can determine the Department's attorneys' fees (i.e., \$110.00 up to \$200.00 an hour) and costs. The Department is considered to prevail when:

- a. The Vendor's position was not substantially justified; and
- b. The Department prevailed as to the most significant issue or set of issues.

The Department shall submit its petition for reasonable attorneys' fees (i.e., \$110.00 up to \$200.00 an hour) and costs to the administrative or judicial tribunal of competent jurisdiction within 20 days after the clerk's mailing of a decision on the merits of the cause, unless extended by the administrative or judicial tribunal. The Department's petition shall provide the following information to the administrative or judicial tribunal:

- a. Evidence of the Department's eligibility for attorneys' fees and costs;
- b. The amount sought; and
- c. An itemized statement from the attorney(s) and expert(s) stating:
 - 1) The actual time spent representing the Department; and
 - 2) The rate at which the fees were computed.

FORFEITURE

Notwithstanding any provision of state law and in addition to any other penalty authorized by law, a court may order a person that is convicted of a violation of a provision of law, with regard to the trafficking of food instruments, funds, assets, or property that have a value of \$100.00 or more and that are subject of a grant or other form of assistance under this section, to forfeit to the United States all property as follows:

- a. All property, real and personal, used in a transaction or attempted transaction, to commit or to facilitate the commission of, a violation described above;
- b. All property, real and personal, constituting, derived from or traceable to any proceeds a person obtained directly or indirectly as a result of a violation described above.

All property subject to forfeiture under this clause, any seizure or disposition of the property, and any proceedings relating to the forfeiture, seizure, or disposition shall be subject to section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. § 853) other than subsection (d) of that section.

DISPUTE RESOLUTION

This Contract shall be subject to arbitration to the extent required by A.R.S. § 12-1518. The parties to this Contract agree to make use of arbitration if the matter is subject to mandatory arbitration pursuant to rules adopted under A.R.S. § 12-133.

Such arbitration shall follow the rules and procedures described in A.R.S. § 12-133. The Administrative Hearing process is available as authorized in the Vendor Manual.

INDEMNITY

1. The Vendor shall, at all times, indemnify, defend and hold harmless the State and/or any of its agents, officials and employees from any and all claims, demands, suits, actions, proceedings, losses, costs and/or damages of every kind and description, including attorney's fees and/or litigation expenses brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, caused by, arising out of, or contributed to, in whole or in part, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of the Vendor, its employees, agents or representatives, or subcontractors, their employees agents or representatives in connection with or incident to the performance of this Contract or arising out of workers compensation claims, or unemployment compensation claims of employees of the Vendor and/or its subcontractor or claims under similar such laws or obligations. The Vendor's obligations and responsibilities under this section shall not extend to any liability caused by the sole negligence of the State or its employees.

2. The Vendor shall indemnify, defend and hold harmless the Department from any claim, liability or expense caused by the Vendor's default under this Contract.

PROHIBITION AGAINST DISCRIMINATION

1. The Vendor shall comply with the nondiscrimination provisions of USDA regulations 7 C.F.R. §§ 15, 15a, and 15b.
2. Both the Vendor and the Department agree to comply with all aspects of anti-discrimination legislation, including all federal legislation and A.R.S. § 41-1463.
 - a. The Vendor shall not discriminate because of race, color, disability, age, national origin, or gender in any interactions with WIC recipients, representatives of the Department, or suppliers;
 - b. The Department shall not discriminate because of race, color, disability, age, national origin, or gender in any interactions with Vendors or Vendor applicants;
 - c. The Vendor shall comply with all applicable provisions of the Americans with Disabilities Act of 1990, and its amendments.

ANTITRUST VIOLATIONS

The Vendor, the Department, and the State recognize that in actual practice overcharges resulting from antitrust violations are in fact borne by the purchaser. Therefore, the Vendor hereby assigns to the Department and the State any and all claims for such overcharges.

NOTICE

Whenever notice is required by the terms of this Contract, unless otherwise specified, the notice shall be in writing; shall be delivered in person or by certified mail with a return receipt requested or by a Department contracted courier service; and shall be directed to the person(s) and address(es) specified for such purpose on the execution page of this Contract or to such other person(s) and/or address(es) as either party may designate to the other party by written notice.

VENDOR CONTRACT

ARIZONA DEPARTMENT OF HEALTH SERVICES

APPLICANT

I, the undersigned, have read and understand all requirements of the Arizona WIC Program in addition to the terms and conditions of this contract and the attachments. I understand that I will be bound by these requirements.

The undersigned representative has legal authority to obligate this Vendor.

BY _____

Signature Date

ADHS Office of Procurement

Print or Type Name and Title of Authorized Person

Date

Store Name

Arizona Department of Health Services

Street

1740 West Adams, Room 303

City State Zip Code

Phoenix, Arizona 85007

County/Reservation

1 (866) 737-3935

Telephone Number

Telephone Number