

8.09 Compliance Buys

POLICY:

The West Virginia WIC Program shall ensure covert buys to monitor vendor compliance with WIC transactions are conducted on a minimum of five percent (5%) of authorized vendors each year. The goal is not to create a punitive mechanism, but to identify specific areas which indicate a need for change in the Authorized Vendor's business practices, and possibly a need for additional training to prevent program abuse.

Compliance buys will be conducted by State Agency Vendor Management Unit staff, and Local Agency staff as trained. Compliance buys may be conducted on vendors identified as high risk, as follow up to determine if cited or identified violations have been corrected, in response to complaints from participants or Local Agency staff, as a result of high volume of WIC redemptions, or on a random basis.

PROCEDURE:

- A. The compliance buy is an investigation involving an undercover (covert) on-site visit in which an individual poses as a WIC participant, parent, caretaker or proxy, and purchases items in order to determine a WIC Authorized Vendor's compliance with program requirements.
- B. Compliance buys will be conducted for up to five percent (5%) of all high risk vendors identified annually. If the actual number of identified high risk vendors exceeds five percent (5%), the State Agency will prioritize the identified vendors, up to the five percent (5%) minimum, based on the greatest potential for noncompliance and/or loss of funds.
- C. If fewer than five percent (5%) of the authorized vendors are identified as high-risk, the State Agency will randomly select an additional number of vendors to meet the five percent (5%) minimum.
- D. The State Agency will utilize a Compliance Buy Reporting Form to document information including the date of the buy, a description of store personnel involved in each transaction, the types and quantities of items purchased, the shelf price as well as price charged for each item, the nature of any problem(s) detected, the name and signature of the reviewer, and the final disposition of all items as destroyed, donated, provided to other authorities, or kept as evidence.
- E. The vendor will be advised in writing when a compliance buy reveals an incidence of a violation for which a pattern of incidences must be established in order to impose a sanction. Written notification will be provided prior to another documented compliance buy unless the State Agency determines, in its discretion, on a case-by-case basis, that notifying the vendor would compromise an investigation.

**West Virginia WIC
Policy & Procedure 8.09
Compliance Buys
Effective Date: April 10, 2017**

REFERENCES:

WIC Regulations 7 CFR § 246.12(i)(4)(i)
WIC Regulations 7 CFR § 246.12(j)(6)(i) – (ii)(D)
WIC Regulations 7 CFR § 246.12(l)(3)