



Section

VENDOR

Subject

COMPLIANCE INVESTIGATIONS**SUMMARY**

Compliance buys are a covert, on-site investigation in which a representative of the Program poses as a participant, parent, or proxy, transacts one or more food instruments, and does not reveal during the visit that he or she is a Program representative.

A compliance investigation is considered complete when two buys have been conducted in which no violations were found, or when at least two buys have been completed to provide evidence of Program noncompliance. The buys do not have to be consecutive buys; rather the total of either two clean or two noncompliant buys will close an investigation. If two or more noncompliant buys are found, appropriate sanctions should be applied.

Compliance investigations need to be conducted on five percent of vendors each fiscal year, with first priority being any high risk vendors (see high risk criteria). If the number of high risk vendors is less than five percent, the remaining stores shall be selected at random to meet the five percent requirement.

FORMS

Compliance Buy Report, Food Disposition Record

PROCEDURE

1. Prior to conducting the buy, look over the Compliance Buy Report to review all items that will need to be collected.
2. Issue a check/CVV, ID folder and ID card for the buy.
3. Enter the store posing as a WIC participant, taking note of the available stock of WIC foods. While shopping, record the shelf price of each food/item about to be purchased.
4. At the checkout-
 - Separate groceries
 - Notify clerk that it is a WIC purchase
 - Present check/CVV and ID card/folder.

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- Carefully watch transaction paying attention to specific details that will need to be included on the report
 - Sign the check as the WIC participant and leave the store with the groceries - DO NOT tell them you are a WIC representative
5. Fill out the Compliance Buy Report as soon after the buy as possible to remember specific details about the buy. Record any significant findings on the report.
 6. Donate the non-perishable items to a local food cupboard or non-profit organization and fill out the Food Disposition Record. This can be attached to the Compliance Buy Report.
 7. Contact the local agency who has a contract with the store, and ask them to watch for the receipt. They should mail you the receipt and you can attach that to your report also.

*For more details on how to design a compliance buy, please contact the State Vendor Coordinator at the State WIC Office.

FINDINGS

After the buy is completed, a letter should be sent to the store explaining that a buy took place, and any findings (positive or negative) should be shared with store staff. Indicate that another buy will be taking place in the near future and encourage them to correct any inappropriate procedures.

A copy of this letter should be sent to the State Office, along with the Compliance Buy form(s) and Food Disposition Record.

Prior to imposing a sanction for a pattern of violations, the vendor must be provided with a warning, or document in the vendor file the reason(s) for determining that such notice would compromise an investigation.

If Program abuse is found for two more buys, contact the State WIC Vendor Coordinator before taking action. A warning may be issued or, if appropriate, sanction points may be applied.

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Compliance Buy Report

Name of Vendor Bob's Grocery		Is this a high risk vendor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Address 1234 Main Street		City Any town	State ND
			Zip Code 12345

(Approximate)

Clerk information		Name Jenny B.	Sex F	Race Native American	Weight 125	Height 5'4	Age 20
Lane number 5	Hair Color Dark brown	Glasses <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Facial Hair <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Other distinguishing features- scar above left eye		

Types of Foods/Items purchased			
Item	Quantity	Shelf Price	Price Charged
Pop	12 pack	\$3.59	\$3.59
Life cereal	2 boxes - 30 oz.	\$7.58 (3.79 each)	\$7.58
Milk	2 half gallons	\$3.04 (1.52 each)	\$3.04
Total purchase price \$ 14.21			

Check number used 123456	Date of buy 01/15/09	Approximate time of day 2:10 p.m.
Any problems detected? <u>Cashier allowed pop to be purchased</u>		
Record any comments the cashier made to the investigator during the buy _____		
Name of Investigator <u>Sally Smith</u>		
Signature of Investigator <u>Sally Smith</u>		Date <u>01/15/09</u>



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Food Disposition Record

Donated Items:	
<u>Description</u>	<u>Quantity</u>
<i>Pampers</i>	<i>2 pkgs.</i>
<i>Mountain Dew</i>	<i>12 pk.</i>

Received by: Bob

Date: 01/16/09

Title: Manager

Organization: Food Cupboard

Address: 123 Main St.
Any town, ND

Received from: Sally Smith

Title: WIC Director

Destroyed Items: I certify that I destroyed the items listed below because they were unfit for human consumption, an alcoholic beverage, or I was unable to donate them.

Destroyed by: _____ Date: _____

Title: _____

Retained Items: (for evidence)

<u>Description</u>	<u>Quantity</u>

Retained by: _____

Title: _____

Date: _____

Monies Received:

The \$ _____ received during the compliance buy investigations on (date) _____, 20____, was returned to appropriate Program funds on (date) _____, 20____.

Received by: _____ Title: _____

(06/02)

WHITE COPY – LOCAL AGENCY

YELLOW COPY – STATE OFFICE

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