

**Vendor Compliance Investigations****Policy No. VM-120.01**

Effective Date: October 1, 2016

No. of Pages: 2

**Policy**

The Federal regulations governing the administration of the Georgia WIC Program authorize the Program to monitor authorized vendors for compliance with Georgia WIC Program rules, regulations, policies, and procedures.

**Purpose**

The goal of the Georgia WIC Program is to ensure that all vendors follow the rules and regulations of the program.

**Procedures**

- I. The Federal regulations governing the administration of the Georgia WIC Program authorize the Program to monitor authorized vendors for compliance with Georgia WIC Program rules, regulations, policies, and procedures. See 7 C.F.R. § 246.12(j)(1). OIG uses the following methods to conduct compliance investigations of authorized vendors:
  - A. Covert (undercover) investigations
  - B. Routine monitoring visits
  - C. Inventory audits
  - D. Research of programmatic reports and database.
- II. A covert compliance investigation is an unannounced, undercover investigation of a WIC-authorized vendor for the purpose of ensuring that a vendor is in compliance with Georgia WIC Program policies and procedures. A covert compliance investigation consists of a series of compliance buys conducted by an undercover OIG Investigator. During a compliance buy, an OIG Investigator will pose as a WIC participant and use a WIC voucher(s) to purchase food items and document the transaction for Program compliance. Vouchers to be used by OIG in compliance investigations are generated by the Georgia WIC Program. Investigations are documented using a [WIC Transaction Report \(WTR\)](#).
- III. Authorized vendors are selected for covert compliance investigations based on their designation as a "High Risk" vendor; in response to a request for investigation made by a District or local agency; or, in response to a participant complaint submitted to the local agency, District, or State WIC Office against a vendor. If complaints are submitted to the local agency, the local agency must complete a complaint/incident form (see [WIC Incident/Complaint Form](#)) and submit it to the State Agency for processing, which may include initiation of an investigation by OIG.
- IV. OIG will also initiate a compliance investigation when a District or local agency submits a Request for Investigation Form (see [Request For Investigation Form](#)). A Request for Investigation Form should be completed when a local agency has reason to believe that

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an authorized vendor or participant is violating Georgia WIC Program policies and procedures. A copy of the Request for Investigation Form should be sent as soon as possible to OIG to initiate investigation.

**V. Documentation of Food Purchases Made During a Compliance Buy**

At the conclusion of a compliance buy, the WIC food items purchased must be donated to a non-profit organization(s). See 7 CFR § 246.12(j)(6)(ii). Such non-profit organizations include but are not limited to:

- A. City and County Fire Department(s)
- B. City and County Police Department(s)
- C. Retirement Homes
- D. Battered Women Shelters
- E. Church Organizations
- F. Homeless Shelters
- G. Salvation Army
- H. Food Pantry (Bank)
- I. Head Start Program
- J. Boy Scouts
- K. Girl Scouts

The covert investigator must complete a Food Donation List (see [Georgia WIC Program Food Donation List](#)) and submit it to a non-profit organization for verification. A representative of the non-profit organization must sign the donation list to confirm the receipt of foods and may obtain a copy of the List for their records, upon request.

**Authority**

7 CFR 246.12(j)

7 CFR 246.4(a)(14)(iv)

**Definitions/Supporting Information**

(None)