



COMMONWEALTH of VIRGINIA

Department of Health

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Posted on Retailer “Resources” Webpage

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Subject: WIC Compliance and Monitoring Reminder

Annually, the Virginia WIC Program makes this compliance and program integrity reminder available to authorized WIC stores and corporate contacts. The WIC Program performs several important compliance monitoring functions, including:

- 1) “Secret shopper” compliance buys
- 2) Supply Validation
- 3) Unannounced on-site Monitoring Reviews
- 4) Desk review of formula purchasing records

The purpose of these administrative procedures is to ensure that all stores comply with critical WIC Program integrity requirements.

1) Covert “Secret Shopper” Compliance Buys:

At the beginning of the COVID-19 Pandemic Virginia WIC made the decision to suspend Compliance Buys. Stores were having supply chain issues and were struggling with operational issues around social distancing, mask mandates all while maintaining customer service standards. Now that state ordered, restrictions are lifting and supply issues are far less common we will resume Compliance Buys in July 2021.

The WIC Program uses an independent investigative company that assigns “secret shoppers” to conduct undercover buys. The secret shopper completes at least two buys as part of the compliance investigative process. Investigations begin without notifying the store. If violations are observed with the first buy the store will receive written notice of violations before additional buys take place. After receiving written notification corrective action must be taken to prevent these types of violations from re-occurring. Failure to take corrective action may lead to a documented pattern of program violations and could result in store disqualification from WIC and / or Supplemental Nutritional Assistance Program (SNAP). Please review our updated Sanction Schedule at:

[Resources – WIC Retailers](#)

2) Supply Validation:

All WIC approved food items are eligible for a Supply Validation. The below process is specific to Infant Formula and other items follow a similar process. Federal regulations requires the WIC Program to ensure that authorized stores only sell Infant Formula purchased from an approved

supplier/distributor (approved supplier list location is below). To achieve the desired outcome, State Agency staff will:

- Review selected stores' contract Infant Formula purchasing records
- Confirm that the supplier identified by the store is authorized by VA WIC*
- Compare formula redemptions to total Infant Formula sales
- Complete a beginning and ending physical inventory of Infant Formula at selected stores
- *Additional details may be found at; [Resources – WIC Retailers](#)

WIC authorized stores are required to maintain at least 12 months of their latest Infant Formula purchase records from all sources and make them available to the State Agency upon request. As part of the Supply Validation, four months of Infant Formula purchase records must be available for review but additional months of records may be required. It is critical that you ensure your store complies with this requirement and is able to produce these purchasing records within the timeframes of Supply Validation period.

3) Unannounced On-site Monitoring Reviews:

The WIC Program conducts on-site Monitoring Reviews during normal business hours including weekends, holidays and evenings. We continue to utilize our iPhone application to conduct these stocking visits which allows us to record and communicate the results electronically and ensure timely dissemination of the results. Monitoring may be completed by State WIC Office, Local Agencies, and other trained staff. During these unannounced reviews, these Agency Representatives will review the following areas for compliance:

- Record inventory levels of the items subject to the WIC Minimum Stocking Requirement*Collect shelf prices and compare against actual redemptions from the payments system
- Review WIC items for accurate and consistent use of the “Wholesome Informed Choices” or custom WIC shelf labels
- Review of the contents of the WIC retailer binder and other materials located at cash registers

*Additional details may be found at; [Resources – WIC Retailers](#)

Failing the Minimum Stocking Visit Requirement three (3) times in 12 months may result in disqualification from the WIC Program or the possibility of a civil money penalty (CMP).

4) Desk Review of Formula Purchasing Records:

To validate your store is purchasing contract Infant Formula from an approved supplier/distributor the WIC Program also conducts desk reviews of purchasing records for Infant Formula. Please refer to the latest copy of the formula flyer to identify the contract and special Infant Formula affected by this review process.

The WIC Program documents the level of compliance for these monitoring functions with state/federal WIC regulations. In order to prevent your store from receiving sanctions or monetary fines, I recommend that you carefully review all available resources, including:

- WIC Approved Food List
 - Formula Flyer
 - Minimum Stocking Requirement Guidelines
 - eWIC Cashier Handbook
 - Sanction Schedule, Compliance and Program Violations Guidelines
- Please note changes from prior versions:
- Redundant items have been combined
 - Outdated items have been removed
 - Violation Descriptions are simplified
 - The Administrative Actions are now consistent for each section

Additional details for above topics may be found at; [Resources – WIC Retailers](#)

I encourage you to contact your assigned Vendor Liaison (804-864-7800) if you need assistance to obtain any of the resources identified in this reminder. Additionally, please ensure your cashiers and other store personnel fully understand the information contained in these resources.

Sincerely,

Alex Acharya

Alex Acharya
Vendor Manager

VDH - Division of Community Nutrition

Pc: General Communications/WIC Retailer/2021/Annual Compliance Reminder