

The Integrity Profile (TIP)

Executive Summary

The Integrity Profile (TIP) report is an analysis of the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) State agency vendor management activities. The selection, authorization, and monitoring of vendors are State agency responsibilities. Annually, State agencies report to the Food and Nutrition Service (FNS) information on vendors monitored and investigated and the actions taken against vendors that violated program requirements. This TIP report covers activities conducted between October 2004 and September 2005. The report discusses the safeguards that exist to prevent vendor fraud and abuse from occurring. These safeguards are an integral part of the WIC food delivery system and play a major role in ensuring program integrity. The TIP report serves an important program purpose in that it provides FNS and other interested parties with specific State-by-State data on WIC vendor characteristics, training, compliance activities and sanctions and promotes good stewardship of federal funds by assisting State agencies in identifying areas for improvement.

In addition to preventative efforts, State agencies have systems in place to detect and sanction vendor violations that may occur. Problems are generally detected through routine monitoring visits, compliance buys, or inventory audits. In fiscal year (FY) 2005, out of a universe of 49,260 vendors, 59% (23,796 vendors) received routine monitoring visits, 13% (5,731 vendors) received one or more compliance investigations, and less than 1% (198 vendors) received inventory audits. Forty-seven State agencies conducted routine monitoring visits of 50% or more of their authorized vendors. (See the appendix for a State-by-State breakdown.)

The vendor cost containment provisions of the Child Nutrition and WIC Reauthorization Act of 2004, P.L. 108-265, were implemented during FY 2006 and are thus outside the scope of this report. However, some of the other provisions of this legislation were implemented during FY 2005, such as the restrictions on incentive items provided to participants by vendors referred to as “above-50-percent vendors” (vendors for which more than 50 percent of food sales are derived from WIC sales, including “WIC-only vendors”).