

Applying for and Starting your SNAP/EBT Program

THE BASICS FOR FARMERS MARKETS IN VIRGINIA

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Accepting Supplemental Nutrition Assistance Program (SNAP, formerly known as Food Stamps) benefits at farmers markets can be a win-win situation for markets and vendors alike, as well as SNAP clients. In 2014, Virginians in every county in the Commonwealth were collectively issued more than \$1 billion in SNAP benefits. Accepting SNAP allows SNAP clients to use their benefits to purchase nutritious local foods and support local farmers, helping local agriculture. Approved foods that can be purchased with SNAP include meat, dairy, fruits, vegetables, herbs, canned goods, baked goods, and food bearing plant starts or seeds. Hot foods, foods meant to be consumed at the market, and alcohol are not allowed.

All SNAP benefit purchases are now made with an Electronic Benefit Transfer (EBT) card, which is similar to a credit or debit card linked to the individual's SNAP benefits account. Many farmers markets purchase or apply for funding for a Point of Sale swipe machine. These machines can also be set up accept debit and credit cards, which increases sales opportunities for vendors.

To fully understand SNAP/EBT, it is helpful to understand the terms used. The following is a glossary provided courtesy of the Maine Farmers Market Federation, www.maine farmers markets.org.

Glossary of Terms for SNAP/EBT:

EIN – Employer's Identification Number, functions in many ways like a Social Security Number for a business or an organization. Farmer's markets run by nonprofit organizations and city or county governments may use an Employer's Identification Number instead of a Social Security Number on their application for approval by FNS to accept SNAP.

FNS – Food and Nutrition Services is the department in the USDA that administers SNAP and other food assistance benefits redeemed at farmers markets.

SNAP – Supplemental Nutrition Assistance Program, a federal benefit program run by the USDA that provides food assistance to eligible, low-income people. It is intended to supplement not provide all food/nutrition resources for those who qualify.

EBT – Electronic Benefit Transfer, the system that allows SNAP benefits to be redeemed via an electronic card similar to a debit card.

Scrip – The paper receipt, wooden or plastic token given to a SNAP customer after they swipe their EBT card; can be used like cash at the market in exchange for allowed food items. Scrip is required at markets as SNAP customers cannot exchange their benefits for cash. Using scrip allows them to receive tokens that represent cash in the market. Many markets also use scrip for credit/debit sales. Markets that use scrip for both EBT and credit/debit sales must use separate tokens for these 2 types of transactions. Most markets use \$1 tokens for EBT sales, and \$5 tokens in a different color for credit/debit transactions. This makes it easier for vendors to tell the two tokens apart, which they must be able to do as sales made with EBT tokens cannot be given change (as that is considered giving cash for SNAP benefits).

See below for a picture of an example of the two types of tokens:



*Farmers market vendors can also apply to accept SNAP (and credit/debit) sales directly. When this occurs no scrip is needed as the customer pays the vendor directly with whichever card they are using. Farmers that sell SNAP approved foods at farmers markets that do not currently accept SNAP can apply to the Virginia Department of Social Services for a free EBT machine. See page 10 for more information.

POS Terminal – Point of Sale terminal that can accept EBT cards; some POS terminals can also be contracted to accept credit and/or debit cards.

Manual EBT Voucher – A carbon copy form signed by the EBT cardholder that allows market management to accept EBT benefits through telephone verification; used most often with markets that have a wired terminal but no immediate access to electricity/phone line or when wireless terminals are not operational.

SNAP Incentive Program- Many markets that accept SNAP also raise funds to match SNAP purchases, allowing SNAP shoppers to stretch their food budgets and making farmers market foods more affordable for them. See page 4 for more information.

Market Day Procedures:

A centrally located, well signed kiosk should be set up to handle all SNAP and debit and credit transactions if the market is using a token/scrip system. In small markets or in markets with new EBT/credit/debit programs the market manager will probably have the time to handle operation of the machine and program accounting. In larger markets or markets with large sales volume a staff person or volunteers will need to be trained to advertise the program, operate the machine, and provide accounting assistance for the vendors at the beginning and end of each market day.

EBT, Debit, and Credit Transactions

To conduct a transaction, the staff person manning the kiosk asks the customer how much they intend to spend. The staff person then swipes the customer's card through the machine and enters the amount of money the customer would like to withdraw from his or her account. A balance will indicate the amount available. After swiping the card, the customer will enter his or her personal identification number (PIN) on the machine pad (not needed for credit transactions). This amount will be transferred to the market's checking account within 48 hours. The staff member gives the customer the correct amount of tokens to spend at any of the participating vendors.

To encourage more families on SNAP to shop at farmers markets many markets are implementing SNAP incentive programs. These programs are run differently from market to market, but most markets use the program to double SNAP dollars up to a certain amount per market day. For example, in many markets if a SNAP customer requests \$10 of their SNAP benefits, the market will double this and give the customer a total of \$20 in tokens to spend in the market. The matching funds are often raised locally from health care organizations, churches, or local government. Having a SNAP matching program is a proven way to get more SNAP shoppers into your market, which in turn benefits your vendors. For a 2014 USDA report on SNAP incentive programs go to:

<http://www.fns.usda.gov/sites/default/files/FarmersMarketIncentiveProvider.pdf>

Most markets structure their accounting so that tokens do not expire. For accounting reasons some markets do ask for all tokens to be spent by the close of the market season. Customers with unredeemed tokens can be reimbursed, but this requires crediting their SNAP account through the POS machine, and is a labor-intensive process. If a customer asks for reimbursement the Food and Nutrition Service **requires** that their request be fulfilled. If the market has any kind of a matching program, the reimbursement can get complicated. The market must meet the refund request, but with a matching program you need to decide how you will handle the accounting procedures.

Vendor redemption and payment

At the market, customers will take their tokens to the vendor to purchase eligible items. Vendors must be trained on the token system at the start of the season, especially if your market is using more than one type of token (see Vendor Education below). When a customer pays for a purchase with an EBT token they cannot be given change. Many vendors will tell customers to take a bit more or less to make an even sale, or customers

can pay with a mix of coins and tokens. Customers paying with credit/debit tokens **can** be given change.

Many market managers give the vendors a designated envelope to collect the tokens for the day or week and include a form for recording transactions. (Samples of the forms are available on this website.) At the end of the market, each vendor brings their collected tokens to the POS kiosk, signs a vendor token redemption log, and receives a receipt for the number of tokens redeemed that week.

As manager you choose when to give your vendors their reimbursement; many markets give it to vendors at the next market. The check can be placed in the vendor's token envelope prior to the market.

Some markets are able to write a check the same day that the tokens are redeemed. This requires extra money in the market checking account to cover the cost until the reimbursement amount is transferred to the market account (usually 48 hours from the time of sale). It is generally a good idea to have a bit of extra money in the market checking account to cover time lags in token purchases and redemptions. No matter when you choose to give vendors their reimbursement checks the most important thing is to do it consistently in order to retain vendors in your token program.

Some vendors will choose to store their tokens until they have enough to warrant a check. Many markets also have a minimum token value requirement, such as \$10, to make it worth the manager's time to process the tokens and issue the checks. This reduces the number of tokens that can be used by customers each week (as does customers hanging on to tokens) so be sure to purchase a good store of tokens at the start of the season. To avoid losing tokens to vendors at the end of the season, tell the vendors that they will not be reimbursed for tokens redeemed after the last market day.

Accounting procedures

To have reimbursements automatically transferred each participating market must have an active checking account. The SNAP reimbursements will be transferred in a lump sum or "batch" to the account, usually at the end of each weekend. Debit and credit transactions will be transferred according to the card company's schedule, typically within 48 hours. Checks to the vendors should be written out of this account and distributed according to each market's operating procedures. At the end of the market day, print out a batch receipt from your POS machine for the day's transactions. (See the machine's instruction manual for details).

There is little accounting that needs to be done, but it is important to keep accurate records. It is crucial that the individual vendors have a record of their sales and are reimbursed **on time** each week for the amount of the previous week's sale. There should be a space on your vendor token redemption log to show the date the check was issued and the check number. It is good practice to have the vendors initial the redemption log when they receive their check.

- **Vendor Redemption**

Each week the market manager (or other) should record the number of tokens distributed to customers, the number returned by the vendors, and the checks written to reimburse the vendors.

- **Monthly Accounting Statement**

Each month the market manager or market SNAP coordinator will receive a statement showing the EBT, debit, and credit card transactions from either the third-party POS provider or the state office (depending on which device is used). These should correspond to the batch receipts that the machine prints out at the end of the market day.

Vendor Education

Once the system is in place, market vendors need to be trained on how the program works, and what they can and cannot sell to EBT customers. It is important that the vendors support the program; let vendors know the potential for extra customers and increased sales at their stand. Also stress that this a good service for the farmers market to provide for people with limited incomes.

Most market managers include information on EBT and credit/debit procedures in their vendor application packet and at a vendor meeting before the start of the market season. (Some markets have made their vendor training tools available for sharing on this website.)

You as market manager will have to decide if accepting EBT (and credit/debit) tokens will be mandatory for vendors selling approved foods. Knowing that all vendors accept EBT makes it easier for customers to shop with EBT, as many customers do not want to ask about EBT in front of other customers.

If you do not make accepting EBT mandatory for all applicable vendors you must make it clear to customers which vendors do accept EBT. You should also consider making signage to put on the tables/tents of the vendors that do accept EBT (EBT sign templates are available on this website). Many market managers have reported that the best way to convince the vendors who do not accept EBT to do so is to hand out the reimbursement checks to the vendors that do accept EBT in front of the vendors who do not. Once the “hold out” vendors see that the vendors who accept EBT are making a bit more money they tend to sign up.

Customer Education and Program Marketing

The key to a successful EBT program at your market is getting the word out about it! In many communities the ability to use SNAP at the farmers market is a new idea, so you will have to educate customers.

- Make sure you have multiple signs and banners around your market stating which cards you accept. (Signs and banner templates are available on this website).

- Make sure your market kiosk is easy to find, highly visible and well signed.
- All vendors and market staff must understand the token system (and SNAP incentive program, if applicable) and be able to explain it to customers. This website has templates for post cards and brochures that explain how to use an EBT card/what tokens are.
- Work with your local Virginia Department of Social Services (VDSS) to see if you can place marketing materials with them about your EBT program. Some VDSS offices will allow you to come speak with their SNAP intake staff to train them on how to talk about your EBT program.
- Look for other community organizations that work with low income families that may be willing to help market your EBT program such as Community Action groups, local ministerial councils, local food pantries, public housing, WIC, free clinics, libraries, etc. Having a SNAP incentive program is a big draw for getting other organizations to partner with you as it means their clients will be able to stretch their SNAP dollars.
- Think about hosting market tours for groups from community organizations such as schools or public housing as many people have never shopped at a farmers market and do not know what to expect. Look here for tips on hosting market tours: <http://www.nyc.gov/html/doh/downloads/pdf/cdp/how-to-lead-a-walking-tour.pdf>

The Virginia Cooperative Extension's Family Nutrition Program has created an orientation lesson in Power Point explaining how and why to shop at a farmer's market aimed at SNAP consumers. Those slides are shared on this website and can be used in conjunction with market tours.

- Your local Cooperative Extension Agent can be a source for cooking demonstrations. Additionally, the Family Nutrition Program can train you or volunteers on how to do simple, healthy, family friendly cooking demonstrations at your market if you accept SNAP. The program offers you the use of a cooking kit and a set of tested recipes as well. Cooking demonstrations and sampling are an excellent way to sell more produce as many shoppers are unsure how to cook fruits and vegetables. Contact Meredith Ledlie Johnson at (540) 231-1704 or meredil@vt.edu for more information on the Family Nutrition Program.

Steps for Getting Authorized and Getting your POS Machine

1. Determine if your market is eligible

- To be eligible, markets must sell food products including produce, dairy, meat, and baked goods. The FNS definition of a farmers market is: a multi-stall market at which farmer-producers sell agricultural products directly to the general public at a central or fixed location, particularly fresh fruit and vegetables (but also meat products, dairy products, and/or grains).
- To help you get an understanding of how many potential EBT customers your market has, the number of SNAP households in each city/county in Virginia is listed here: http://www.dss.virginia.gov/geninfo/reports/financial_assistance/fs.cgi
- For vendors to be reimbursed for EBT purchases, the market must have a checking account. If your market does not already have a checking account, set one up before proceeding. A separate checking account helps keep EBT transactions separate and helps with accounting.
- If you do not have a formal organizational structure or 501c3 status, you must have another organization be a fiscal agent and be the responsible party to the Food and Nutrition Service, who authorizes SNAP retailers. One local example of this is The Williamsburg Farmers Market, which uses the city's finance office as a fiscal agent. There are many organizations that can act as a fiscal sponsor for your market including your local government, a local development corporation, or a local non-profit such as a food bank or Community Action organization.

For more on the basics on Fiscal Sponsorship look here:

[Grantmanship Center: What is fiscal sponsorship? How do I find a fiscal sponsor?](#)

[Grantmanship Center: Can I get funding for my non-profit while I am in the process of incorporating or applying for tax-exempt status?](#)

Harvard Law School Delta Project wrote a legal guide for Mississippi that covers 501c3 status and fiscal sponsorship for farmers markets here:

<http://www.chlpi.org/wp-content/uploads/2013/12/Legal-Manual-2011-Update-FORMATTED.pdf>

2. Become authorized by FNS to accept electronic nutrition benefits

- To apply for an FNS number go to: <http://www.fns.usda.gov/ebt/learn-about-snap-benefits-farmers-markets> You must first create an online account with a password. (The rules for creating a password are strict; it might take a few tries to create one that

is acceptable!) If you choose Market Link to provide your EBT machine you can apply for your FNS number on their website as well. (See “Choose your free EBT machine” below for more information)

Handy TIPS for help with the application process for [SNAP Authorization](#):

- Plan to spend at least an hour with the application process
- You will need to have an email account. (AOL email accounts have more difficulties when applying so try to have another email account)
- Password is complex and will need to include:
 - ✓ 12 – 24 characters
 - ✓ One number
 - ✓ One upper case letter
 - ✓ One lower case letter
 - ✓ One special character (# ! % +)
- You will be asked to create 4 security questions
- Don’t click on nonfarm items that wouldn’t be authorized anyway, this will just slow you down.
- Fill out the application online. You can start and stop the application process. You have up to 30 days to complete and submit the online application to FNS. It takes up to 45 days to process your application, though applying for your FNS number through Market Link is a faster approval. Virginia State University’s Small Farm Outreach Program can also assist with FNS applications; contact Susan Cheek for more information at (804) 720-5539.

Documents needed:

Most farmers’ markets will only need the following three documents to complete their application:

- *Photo identification*
- *Social Security card*

Photo ID and Social Security Cards are required for all owners, partners and corporate officers, unless the market is owned by a government agency. (Virginia is not a community property state so spouses’ information is not needed).

Markets owned by a government agency may use their EIN number instead of a Social Security Number on their application.

Non-profits have to send photo id for all owners, partners and corporate officers and a copy of the IRS Letter with the organization's EIN number. No Social Security card is required for Non-Profit Organizations sponsoring the market or the market itself if it has filed for non-profit status

- Any *business licenses* held by your farmers' market under the current owner's name. However, if your market does not have any business licenses, FNS does not require you to obtain them.
- After you submit your application, you will see a page confirming that your application was submitted successfully **AND** describing additional documents you must mail to FNS to complete your application and indicating where such documents should be mailed. Those documents are as follows:
 1. **Document Cover Sheet [Required]:** The page generates two copies for the Document Cover Sheet, one to mail and one for your records. The Document Cover Sheet includes the market's name and address, and using it as the cover page for the package of documents you will mail to FNS will speed the process. FNS receives tens of thousands of applications yearly, so the Document Cover Sheet is helpful to match the documents you submit with your online application.
 2. **Certification and Signature Statement [Required]:** The page generates two copies of the Certification and Signature Statement, one to mail and one for your records. You must print, sign, and mail a copy of the Certification and Signature Statement. An original signature is not required and legible copies are acceptable. The Statement must be signed by an owner or corporate officer, as FNS does not accept signatures from manager, bookkeepers, and other individuals filling out an application on behalf of the owner(s). For nonprofit organizations: In the event the person signing the application is not the Executive Director for the organization, a letter must accompany the application explaining that the person signing the application has the authority to sign for the organization. That letter must be signed by the Executive Director or the Board of Directors.
 3. **Business License [Not Required]:** If your farmers' market has a business license that was issued to the current owner(s) **AND** for the market's current location, you may provide a copy. However, if your market does not have such a license, it is not necessary to obtain one.
 4. **Photo Identification (ID) [Required]:** Submit copy of *Photo ID* for all owners, partners, and corporate officers. **EXCEPTION:** A photo ID is not required if the market is owned by a government agency.
 5. **Social Security Card [Require]:** Submit a copy of the *Social Security Card* for all owners, partners, and corporate officers, and (in community property States) spouses of such individuals. **EXCEPTION:** A Social Security Card is not

required if the market is owned by a government agency or a non-profit organization.

Note: FNS does NOT share this information with any other entity or government agency, unless required to do so in a course of a court case or investigation.

3. Choose your free EBT machine provider

- You can purchase an EBT machine, but there are two options for receiving a free EBT machine in Virginia: one option is to apply for an EBT machine via Market Link and the second option is to apply for an EBT machine via the Virginia Department of Social Services. These two options (available to both farmers markets and farmers selling SNAP approved foods at markets that don't accept SNAP or their own farm stands) have different terms, outlined below:

Market Link Equipment

- MarketLink™ is a program of the National Association of Farmers Market Nutrition Programs ([NAFMNP](#)) launched in 2013 to connect farmers, markets, and consumers through technology. The United States Department of Agriculture ([USDA](#)) set a goal to increase the acceptance of the Supplemental Nutrition Assistance Program ([SNAP](#), formerly known as Food Stamps) at farmers markets nationwide, and awarded a contract to NAFMNP to work towards this end.

The [Marketlink](#) Website is a one stop shop to apply for the USDA FNS (Food and Nutrition Services) Retailer Number needed to be able to accept SNAP/EBT at Farmers Markets. This applies for both market managers and vendors/direct marketing farmers.

The link has an Eligibility Assessment page to see if you or your market is eligible for the free equipment.

Once you apply for an FNS number on the Marketlink website, you should hear back in about 24 hours if you are approved. You can then use the Marketlink website to apply for the equipment to process payments once the FNS number is received.

Your application will be sent to WorldPay who will process the request, and will contact the equipment vendor Nova Dia, who will provide the following equipment:

- I Phone 5C
- Printer
- Card Reader

All Worldpay applications should be emailed or faxed to Tifini Epps, the Business Solutions Account Executive (Contact information below). Once the application is received it takes about 2-3 weeks to receive the equipment.

The equipment will allow the use of EBT/SNAP and Credit Cards, (VISA, Master Card). The EBT transaction fee is \$.15 per transaction. Credit cards will assess a fee of 1.79% of sale. The yearly usage fee is \$120 per year but free for the first year if you are eligible for the free terminal. The data plan for the phone is free for 2 years. (The data plan fee is dependent of Verizon rates). There is no monthly wireless fee.

Free Terminal Program: Fees & Commitments			
	Year 1	Year 2	Year 3
iPhone with card reader	\$0	\$0	\$0
Wireless data service (2 years)	\$0	\$0	From \$30/month*
Annual fee for payment processing (1 year)	\$0	\$120	\$120
License Fee for MobileMarket+ application	\$0	\$0	\$100
Transaction fees	SNAP: 15 cents per transaction Credit & debit: 1.79% of sale plus 15 cents		
Total	\$0	\$120	\$220

*This varies by provider (Verizon, AT&T, TMobile, etc.)

If a market or vendor is already accepting SNAP/EBT, they will not qualify for the free equipment. If they want to upgrade from what equipment they have, the cost of the I Phone is \$ 1963.00 with a yearly fee of \$ 120.00 plus the transaction fees, and data usage fees (set by Verizon). The EBT transaction fee is \$.15 per transaction; Credit card fees will be assessed a fee of 1.79% of sale.

Tifini Epps | Business Solutions Account Executive| WorldPay
 T [\(404\) 494 4707](tel:4044944707) | F [1\(800\) 954 5965](tel:18009545965)
 600 Morgan Falls | Atlanta GA 30350 | US
www.worldpay.us

Virginia Department of Social Services Wireless Terminal Program

Once you receive the FNS Retailer Authorization number either through the [Market Link](#) site or the [USDA Farmers Market Website](#) you have the option of going through Market Link to receive your equipment as outlined above, or receiving a wireless terminal through the Virginia Department of Social Services (VDSS)

VDSS will pay the cost of the following:

- One wireless point of sale device (Valued at over \$900)
- Payment of SNAP transaction fees. (Valued at \$.15 per swipe)
- Payment of monthly wireless fee

You have the option to use the device for debit and credit transactions as well. *VDSS will not pay fees associated with debit and credit transactions.* If you would like to accept debit and credit with this device, request a debit/credit application when you apply. The fees are a percentage of the credit/debit sale, ask for the percentage rate when you request the application. You will be billed directly for all debit/credit related fees. The application for the wireless terminal and fee schedule is available upon request by emailing Claudia Jackson at claudia.jackson@dss.virginia.gov

Purchasing Market Tokens

Tokens are easy to use and make shopping at the market fun. Since tokens are more difficult to duplicate than paper, they are more secure. Tokens may be purchased online from a number of vendors. The tokens should be printed specifically for each market. It is recommended that markets design one side of each token side with the market's name or logo on one side, and "No Cash Value", "No Change Given" and a value amount on the other side. Make sure to explain to customers that tokens may only be used at the market where they were purchased, and no change may be given for SNAP tokens.

Token denominations are often provided in amounts of \$1 and \$5. Some markets find it simpler to use \$1 tokens for SNAP and \$5 tokens for debit/credit. The SNAP tokens should be similar, but easily differentiated from the debit/credit tokens. Using different colors is one way to do this; for example red can indicate SNAP tokens and green debit/credit tokens.

One popular token source is www.wooden-nickel.net, 800-750-9915
Many markets in the state have had their tokens paid for by grants from local Departments of Health, hospitals, or community organizations. You may want to explore this possibility in your community. Logos of funders can be put on tokens.

Tokens are a new idea to many customers and vendors. You must educate them to treat them as cash in the market and not as "monopoly money". You should expect some loss of tokens over the market season; you may have to buy new ones for the second year of your program.

Resources

Throughout this process, be sure to take advantage of the many tools and resources available to you online.

The Farmers Market Coalition (FMC), a national farmers market resource and information hub (www.farmersmarketcoalition.org), has a resource library with a whole section devoted to EBT, including sample flyers, tokens, guidebooks, and overviews of the regulations.

Another must-read is the USDA website, which has a list of grant resources for EBT-using farmers markets including a step-by-step EBT guide (<http://www.fns.usda.gov/ebt/learn-about-snap-benefits-farmers-markets>).

Project for Public Spaces and Wholesome Wave published a great guide, *SNAP/EBT at Your Farmers Market: Seven Steps to Success* (http://www.pps.org/pdf/SNAP_EBT_Book.pdf)

Market Umbrella has resources for tracking the impact of your market on your community: <http://www.marketumbrella.org/marketshare/>

The Farmers Market Federation of New York has resources for starting EBT programs here: <http://nyfarmersmarket.com/>

**Case Studies:
SNAP/EBT programs at Two Non-Profit Farmers Markets**

Wythville Farmers Market manager Jen Otey:

- Jen started her first season this year with a broken EBT machine. She had to run all transactions using paper vouchers and is working on getting a new machine (see box below for more information)
- The Wytheville Farmers Market has a \$20 SNAP matching program, funded by the Wythe/Bland Foundation and H.O.P.E. (Helping Overcome Poverty's Existence). The matching program has been a big success in bringing new people to the market and increasing vendor sales. H.O.P.E. also paid for the market's tokens.
- The bank fees that the market pays for credit/debit transactions are high

Directions for filling out an Offline Food Benefit Voucher for non-electronic retailers

(To be used in cases when the SNAP transaction cannot be electronically processed due to system outages. Procedure for obtaining Voice Approvals while the customer is present at the point of sale.) Completion of an Offline Food Stamp Voucher slip

1. Call the Retailer Assistance 800 number shown on the customer's EBT card above the magnetic stripe
 - press 1 for English
 - press 1 for manual voucher authorization
 - type in your FNS #
 - press 1 for manual voucher
 - It will walk you through typing in the customer's card number and how much they want to purchase.
 - Then they give you an authorization number, record this on the slip
2. Complete all sections of information on the Offline Food Stamp Voucher.

NOTE:

Guidelines and information must be completed or you may not receive payment for this voucher clear transaction. Transactions must be cleared or entered into your point of sale terminal on or before 15 days from the date of the Voice Approval. If not, the cardholder's EBT account will not be charged for the sale amount. The original copy of the Offline Food Stamp Voucher form needs to be stored by the merchant for 3 years.

(Above information from Jen Otey and https://www.merchantconnect.com/CWRWeb/pdf/qrg_t4000_ebt_web.pdf)

To order Offline Food Stamp Voucher forms:

Contact the FIS customer service number (800#) that is on the POS device.

Broken machines from Virginia Department of Social Services (VDSS) can be replaced.

The machines have a 3 year warranty. There is a toll free number on the device so the market should first call that to see if the warranty is still valid. If the warranty is no longer in place, markets should contact Claudia Jackson at VDSS at claudia.jackson@dss.virginia.gov

right now, and the market is looking at switching over to using Paypal instead.

- The local radio station has been very helpful in spreading the word about the market by allowing Jen to have air time to discuss the SNAP program; the station has also advertised the events taking place at the market.
- Jen feels that in her rural area a radio spot would be the best use of advertising funds, as more people listen to the radio in her area than read the paper.
- To help raise money for the market (tables, tents, etc) Jen sold ad space on the back of market T shirts and also organized the market's first ever "Farm to Table" brunch fundraiser.
- Jen states that her biggest challenge with the SNAP program is marketing it. She has no funds to market the program and her resources are limited beyond her relationship with the local radio station. Another challenge was her lack of knowledge about who to contact or where to get information about the program.
- Jen tracks EBT and credit sales in a simple Excel spreadsheet. Vendors submit a form at the end of each market day that tracks what they sold, the number of customers, and the number of tokens they are turning in. Forms are shared here.
- The Wytheville market uses the same tokens for the EBT program as the \$20 match program. Jen simply keeps a running tally of how much is available in the matching fund so she has an idea of how much is left to hand out.
- When Jen started her position she heard from a community member on SNAP that the market's use of paper script made shopping at the market with SNAP difficult. (The market did not have tokens at the time, and instead asked customers using SNAP or credit/debit to get a paper receipt for their goods from each vendor and then go to the market manager with their shopping total. This process was time consuming and made SNAP shoppers feel uncomfortable.) Jen invited the community member to the next market board meeting to speak about their experiences, and also invited Meredith Ledlie Johnson from Cooperative Extension's Family Nutrition Program (meredil@vt.edu) to present on how tokens work and their benefits to both shoppers and vendors. These presentations helped the market's board to better understand the need for tokens, and the board voted "yes" to implementing their use. Jen then asked H.O.P.E, a local community organization, to pay for the tokens, which they did. Jen states that bringing in

these outside people helped the board to make the decision because the visitors could answer questions Jen could not.

- Most vendors signed up to participate at the start of the program. Once the rest of the vendors saw how much money the EBT was bringing the vendors who participated, all signed up. In the beginning of the program Jen explained to vendors that there would only be a lag in payment to them the first week- after that first week they would be getting a check every week at the market for the previous week's sales. Once initiated, the 7 day turnaround for payment became acceptable for the vendors.
- Jen encourages vendors to mention the EBT program to their customers, and each vendor has an EBT sign on their table.
- Jen spends about 1-1.5 hours a week on her EBT paperwork, and states it's not complicated because she would be spending a similar amount of time doing credit/debit paperwork. She would eventually like to hire a part time employee to run the machine at the market.

Blacksburg Farmers Market manager Ellen Stewart and VISTA Maureen McGonagle:

- The Blacksburg market has an Americorps [VISTA](#) whose responsibilities include helping to fundraise for the SNAP matching program and recruiting and training volunteers to run the EBT machine. This has helped the market to spread the word about their SNAP program.
- The paperwork for the SNAP program takes the market manager 1-2 hours a week. The market manager is the only approved check signer who can write the reimbursement checks for vendors, so she has to be available for that each week.
- The market uses one account for the funds from SNAP/EBT swipes and credit/debit swipes. The Blacksburg market has no separate account for funds for the SNAP matching program. (The market currently matches up to \$10 per visit, these funds are raised from local foundations, community groups, and individual donors). The market uses a spread sheet to keep track of funds that are collected for the program, and the VISTA keeps track each week of how much was distributed.
- The market has one color token for credit/debit purchases and another color for SNAP/EBT purchases. They use the SNAP/EBT tokens for the SNAP matching program as well. (There is no third type of token for the SNAP matching program, they track funds using a spreadsheet)

- Ellen easily gained support for the SNAP program from the market’s board as the market had just become a non-profit and needed to show how they were helping their community. Federal funding to pay for setting up and managing the program, buying equipment, and paying all fees for the first two years of operation, was received through a USDA’s Farmer Market Promotion Program grant. Click here for details about the grant program: <http://www.ams.usda.gov/AMSV1.0/fmpp>
- In the beginning of the program some vendors were hesitant to join but as soon as reimbursement checks were handed out to participating vendors the holdouts saw the benefits to the program. Every vendor was expected to participate. Ellen has offered “express” reimbursement (making a reimbursement check available right away instead of waiting to the next market) to some vendors occasionally when the need arises. The Blacksburg market has shared their vendor training Powerpoint here.
- The most surprising aspect of the program overall is how much it has grown over the years. Many people thought Blacksburg didn’t have the low income population to support the program, but were proven wrong. People also travel in from surrounding towns to make use of the SNAP matching program as well. The program has countered the stereotypes of SNAP users in that it has proven that many families on SNAP want fresh food. There were 17 new SNAP customers in Sept 2014 – the highest in one month yet.
- The market’s VISTA volunteer, Maureen, focused her marketing of the SNAP program by creating a strong relationship with the local Department of Social Services by presenting the program to the intake staff at their staff meetings and providing marketing materials to them. She also left marketing materials with other local service providers (and tracked where to go on a spreadsheet). Maureen partnered with Cooperative Extension’s Family Nutrition Program to do cooking demonstrations at the local good pantry and distributed information about the SNAP matching program at these events.
- Maureen encourages markets to fundraise for their SNAP matching program and getting those funds secured before marketing a SNAP/EBT program to the community. The SNAP matching programs are a huge draw and get people to the market.



**Case Studies:
SNAP/EBT programs at Two Municipally Run Farmers Markets**

Salem Farmers Market manager Laura Reilly:

- Salem's market has 2 terminals. One is the EBT terminal, and the other is owned by the city's Finance department and is used to run credit/debit cards. This credit/debit terminal is linked to the same account that handles payments to the town for utilities from citizens, etc. The Finance department gave this terminal to the market to handle these transactions separately from the EBT transactions. No additional transaction fees are added to credit/debit transactions. Batch reports for both terminals go to the town Finance department each Monday.
- A major challenge for this market is having experienced staff to set up and manage the EBT and credit/debit machines on market day. It really takes two people to set everything up in the morning, especially if there are other activities taking place at the market (Salem uses a café table with a red umbrella as their token stand, centrally located at the market). Salem does have a paid staff person at this table during the market.
- Create a simple, step by step instruction card to be kept with EBT/credit/debit machine(s). Be sure to keep the instruction cards with the terminals, and include the necessary steps for completing a manual voucher (these are used if the terminal malfunctions). For vendors, have specific rules and processes about the program written on the envelope that is used to turn tokens into the market management – having simple instructions for all involved parties will minimize confusion.
- To satisfy the Finance Director and Market Management, there are several checks and balances in place for the token program. Various spreadsheets are utilized for this and are shared here. Also, a check log is kept and initialed by vendors upon receipt of reimbursement checks. (This simple verification has proved most useful when checks are lost, etc.)
- The Salem Market has a flat fee for selling at the market (as opposed to charging vendors a percentage of sales). As a way to respect vendor's financial privacy the city does not require vendors to fill out W-9 forms. Because no goods or services are provided, this is simply a reimbursement transaction. (Similar to the process that is used to reimburse jurors.)
- The Salem Market gained support for its EBT program by convincing city leaders to let them try it for a year, pitching the program as a way to reach out to the entire Roanoke Valley community. Understanding the need within the community made it simple. It especially helps if many surrounding markets are accepting EBT. The number of people who made use of the program in its first year was surprising and encouraging, thus support grew quickly.

- When applying for grants for matching incentives the Salem Farmers Market used VDSS (Virginia Department of Social Services) data to determine the number of SNAP recipients in Roanoke County that could benefit from the EBT program at the market, thus having a tangible impact on the community. They also made sure to mention that the majority of the vendors at Salem sell food items (very few crafts) so most vendors could accept EBT, allowing those federal dollars to support local agriculture. NOTE: maintaining up-to-date records is key in gaining support for this program.
- Because vendors were selling more produce once they started accepting EBT they were more willing to donate blemished or excess produce to the local food pantry. The Salem Market collects and weighs the donations, maintaining detailed records for each vendor. An official receipt is sent to each vendor at the end of the year. Customers can also purchase produce and donate it to the pantry right at the market. These customer donations are collected at the EBT table. This partnership is a win for the market's vendors, low income customers, and the food pantry.
- The most common question that the Salem market manager receives about the SNAP Program is, "What is a token?" People think it is more complicated than it really is – be prepared to show a token (either by photo or reality) and briefly explain the program. Be positive!
- The market uses 3 different color tokens: red (their SNAP token), green (their credit/debit token), and blue (their token for incentive/"doubling" funds). Having this third token for the SNAP incentive program allows them to easily track how much money is left in their incentive account (they only issue enough tokens to cover the amount they raise for the incentive program). The market will encourage customers to spend these tokens first and finish using them by the end of October, as the market needs to zero out the account holding those grant funds by the end of the year for accounting purposes.
- Audit the number of tokens you have the beginning of each season. You will probably have to do some consumer education about the importance of using tokens up before the next market season.
- The Salem Market uses a tackle box to organize their 3 types of tokens at the market. They are counted out into \$10 increments and separated by cardstock. They also have paper receipts in the box as some customers want to pay cash for credit/debit tokens to give them as gift certificates for shopping at the market. There is also a transaction log for the day.



The box also comes with 2 zippered canvas bags for receipts from the EBT and credit/debit machines. Included in these bags are manuals for using the machines, the simple instructions for terminal operations, manual paper vouchers in case the EBT machine malfunctions, and marketing materials explaining the SNAP incentive program to customers. Simple plastic sandwich bags are used to give the customer their tokens.

Williamsburg Farmers Market Manager Tracy Herner:

- The biggest challenge for the Williamsburg Farmers Market's token program is the amount of time devoted to the program especially because they charge vendors based on a percentage of sales. This market does have paid staff, and it takes about 15 hours a week to enter data, count tokens, maintain equipment, complete deposits, and submit required information to the fiscal agent.
- The market manager created an excel form for reporting sales to the fiscal agent (City of Williamsburg Accountant) to streamline the process and ensure it was as efficient as possible. This form is shared here. This spreadsheet rolls over any amount under \$10 so that the accounting department only has to process checks for amounts over \$10. The form is sent to accounts payable for the city and uses different ledger numbers for each type of token. These ledger numbers are also color coded in the spreadsheet.
- The market has a form that goes into the envelope that vendors use to collect tokens during market days. This form has a perforated bottom that acts as a receipt showing how many tokens they handed in at the end of the day.
- They do not count the number of tokens at the market but rather email the vendor their token receipts from the office and resolve any discrepancies between the actual token count and the form on the envelope via email.
- The Williamsburg market uses 3 machines: a credit card terminal provided by the Virginia Department of Social Services for processing EBT, an iPad for

processing credit card transactions, and another credit card terminal to process W&M Express (a debit-like card for William & Mary Students) so students can shop at the market easily.

- The market maintains a separate bank account for their incentive program funds (the Fresh Food Fund.) They ask for donations for the incentive program from people using their credit cards at the market. (Similar to fundraising at the grocery store- you get asked as you check out). These requests are funding the incentive program! This required a bit of education for market goers, as people did not know what SNAP was, what a token was, etc. Once people understood they started to donate.
- The market found a few local champions for their EBT program, including prominent community members and SNAP beneficiaries.
- The market does a match up to \$20/week as they found that a \$10 was not enough to get low income families to the market.
- The market has a local bank sponsorship to offset the credit card fees, which ensures no fees are added to the customers or to the vendors. The vendors can still use their own credit card machines, but they keep more of their money by encouraging customers to utilize the market currency.
- The Williamsburg Farmers Market had their terminal for 2 years prior to starting their token program. The key to starting their EBT/SNAP program was to set a start date and then announce it. Once announced, there were no further delays.
- The Williamsburg market had a soft opening of the token program their first year (not all vendors participated right away). They brought up the idea of a token-based currency to their vendors at their annual vendor meeting by bringing in an experienced market manager to speak about the program's benefits. The first month it was new to both staff and vendors, but extra staff was on hand to answer any questions and provide additional training where needed. The rules and directions for the token program are included in vendor packets, and they make sure to pay vendors their checks within 7 days. Feedback from the vendors was provided and that helped staff to fine tune the forms and the process so that both the staff and the vendors were able to consistently run the program without error. Currently, they have 100% participation (required.)
- One way the market advertises their EBT program is at the local Hands Together Historic Triangle event for precariously housed individuals. Also, flyers are distributed through various nonprofits to get the word out about

the benefits of food purchased at farmers markets, and the matching program offered at the market.



**Case Study:
SNAP/EBT program at a For-Profit Farmers Market**

Forest Farmers Market manager Dorothy McIntyre:

- Forest's EBT program is new this year, and still relatively small. One major challenge for the program is there are very few registered SNAP families in the area (Dorothy obtained this information from her local Department of Social Services office).
- SNAP customer's zip codes are requested when their card is run to help track the reach of the program. Half of the customers are coming in from outside of Forest.
- The market offers a \$20 match for SNAP customers; this was funded by the local Rotary via the Bedford Health Foundation. Because the Forest Market is a for-profit, the Bedford Health Foundation offered a promissory amount of matching funds. Dorothy has a reserve of funds from the market (vendor fees, etc.) to cover the outlay of the matches, and the Foundation plans to cut a check at the end of the market season.
- The local Department of Health purchased the markets SNAP and matching tokens.
- Dorothy received her EBT machine 2 years ago and waited to use it until she was ready to manage it, as she was still getting the market itself off the ground. She recommends markets not rush into EBT but instead do the research to feel prepared.
- When promoting the market, information about accepting SNAP at the market is always mentioned. This includes; interviews, social media and print advertising along with word of mouth.
- Dorothy does outreach to the local Department of Social Services office about the program, and worked with them to get an understanding of how many families receive SNAP in her area.
- Accepting SNAP is mandatory for all vendors at her market, however, Dorothy didn't require them to sign an official agreement. She relied on their trust in her as a market manager. Vendors get reimbursed weekly for EBT.
- There is an annual vendor meeting before the start of the market year. This helps inform vendors on market policies, what to expect for foot traffic cycles over the year, product presentation, and EBT. She shows them the tokens and explains the EBT forms.

- The market has an unofficial advisory council for the market made up of long term vendors. Crafts entering the market are juried by the artisan vendors before being allowed to vend in the market, this helps keep quality standards.
- Weekly emails are sent to vendors asking what they will be bringing to market that week, and also to address any issues she noticed the week before. She also has a weekly customer e-newsletter.
- The Forest market has a flat fee for vendors. These fees go towards market manager's stipend, paying for music at the market, and programming supplies for events at the market.
- The market partnered with the local Master Gardener group to provide children and canning programming.
- The market partnered with Society of St. Andrew (SoSA) to help decrease the amount food waste. At the end of the market SoSA has a volunteer come and glean from the vendors. This is voluntary and most vendors participate. The food is then distributed to the area soup kitchens.
- The market is an LLC, at the advice of an accountant. Being an LLC as opposed to a non-profit does make it harder to recruit volunteers to help run the EBT program, etc.
- The market has a strong relationship with the local county agriculture board, the local economic development corporation, and is part of the Bedford Artisan Trail. The market bought in to be a part of the Artisan Trail.
- The market receives money from Bedford County for marketing, and uses it for printing posters, lawn signs, etc. Marketing is also done via Facebook and the customer e-newsletter, created in Mail Chimp. There is a Farmers Market template in Mail Chimp that takes about 1 hour to create each week.
- Dorothy stated that her biggest surprise with EBT is how under-utilized her program is, but that it is worth it to her anyway as it takes very little of her time, and it's important to her that everyone has a chance to shop of the market if they want to.

The U.S. Department of Agriculture (USDA) is an equal opportunity provider and employer. This material is funded by USDA's Supplemental Nutrition Assistance Program – SNAP which provides nutrition assistance to people with low income. It can help you buy nutritious foods for a better diet. To find out more, contact your county or city Department of Social Services or to locate your county office call toll-free: 1-800-552-3431 (M-F 8:15-5:00, except holidays). By calling your local DSS office, you can get other useful information about services.

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