Federal Nutrition Benefit Training
Getting Set Up at Your Farmers Market

Monday, March 5th, 2018
There are many names for this card, which is the Wisconsin Quest Card for the Wisconsin FoodShare program, or our state’s SNAP program. When customers use their benefits at your farmers market, this PIN enabled EBT or Electronic Benefits Transfer card is what they will be using. It is important to note that we are gathered here today because when the Food Stamp program went EBT in the late 90’s, farmers markets lost the ability to accept Food Stamp benefits. It used to be that the paper stamps were physically handed to farmers at the market and then the farmers turned them in to the government for reimbursement.
What You Will Need

• Completed SNAP application
• FNS (Food and Nutrition Service) approved number
• Card reading equipment
• Tokens / scrip
• Accounting system
The application is online and needs to be completed on a laptop or computer since the website does not have mobile capabilities at this time. You need to create a username and login called USDA eAuthentication to begin the application. This allows you to sign in and out, stop and pick up the application at any time, as well as check on the status of your application.

https://www.fns.usda.gov/snap/store-farmers-market-application
Before beginning the application, as a farmers market you should decide who should be the “Responsible Official” (to use USDA application terms) for the farmers market. Please see the handout that defines what a “Responsible Official” is and the role they play in this application as well as the SNAP program as a whole.

You will need to decide on this person before you begin the application, because the first part of the SNAP certification application is providing basic information about your market. You will need to list a telephone number for the market – if your market is not run by a parent organization, you should put down a number where the “Responsible Official” can be reached. The email you provide should also be that of the “Responsible Official.”

You will also be asked if a supporting organization is “assisting your market in becoming SNAP-authorized, or indicate that no organization assisted you.” You do not need to put down Fondy or anyone else for this answer. If you wish, you can put down the parent organization of your market here. (This is more intended for listing larger organizations, like cities that have one umbrella organization that runs all of their markets.)
SNAP Application

Accountability Information

- Responsible Official
  - Submit personal info + spouse info (WI)
- EXCEPTIONS ARE
  - Government agencies
    - Letter proving ownership on gov’t letterhead
  - Nonprofit organizations
    - IRS 501(c)(3) Determination Letter
  - Publicly-owned corporations

Of course, the “ownership” of the FNS authorized number will depend on who runs your farmers market. An individual’s personal information such as home address and social security number must be tied to the machine (such as in a sole proprietorship) WITH THE ONLY EXCEPTIONS BEING if the parent organization of the farmers market is a nonprofit organization, government agency, or publicly-owned corporation. For example, Fondy Food Center does not have an individual’s SSN tied to the machine, but rather our organization’s EIN number. The Greenfield Farmers Market is run by the Greenfield Health Department and does not have an individual’s SSN tied to the machine.

If you are required to submit documents such as these, FNS will remind you of which documentation you need to submit after finishing the online portion of the application.

The reason for needing an individual’s social security number is “maintaining the integrity of the program” and to hold an individual accountable for any program violations if there is no organization operating the farmers market. Even if you are an exempt parent organization, you will still need to provide the SSN of the “Responsible Official” for the sake of the application, so that FNS can run a background check (please see handout titled “Responsible Official SNAP Authorization Application FAQ” for more information).
The rest of the application you will need to provide additional information about your market include sales estimates, what kind of products vendors sell at your market, and the hours your market is open.

On reporting sales: if you are a brand new market or if you are an established market that does not have a formal metric to report on sales, click the “estimated” check box and enter in your best good-faith estimate of what your sales might look like. If you are having trouble making this kind of estimate, please contact Meg, and she can direct you to some studies that explored what average sales for your size market may look like. If you have reported on sales to the IRS in the past, you must click the “actual” check box and put down the number along with the corresponding tax year.

The application also asks for a food inventory, which, unfortunately, isn’t all that farmers market friendly. They seem to have copied this section directly from the store application, because it will ask questions such as do you sell gasoline or tobacco. Give you best estimate of the variety of products your vendors sell, and put a “0” next to items you do not sell.

There is also a question that asks whether or not your market uses “optical scanners.” These are the devices that scan barcodes and PLUs at grocery stores – you usually see them in the check out lane at a supermarket. Chances are your market does not use these kinds of devices (this is different from card reading equipment), and you can answer no.

The updated application asks what bank or financial institution you will be using (name and address) for your SNAP deposits. Please know this information before starting this application! We will get in to our recommendations on banking later in this training.

The updated application now also asks what EBT equipment provider you will be using. This answer is optional, so it is okay if you do not know it before starting the application. We will discuss equipment options later on.
At the end of the electronic application, after clicking ‘submit’ you will be taken to a page that reminds you of the documents you need to send to FNS in the mail. FNS will not fully process your SNAP application until they receive these items in the mail. You will need to print a page that needs to be signed by the “Responsible Official.” If this person is signing it on behalf of a nonprofit organization or government agency, it should be printed and signed on letterhead of that respective organization or entity. A color copy of the photo ID of the “Responsible Official” is required (EXCEPTION = for government agencies). Because Wisconsin is a community property state, a color copy of the photo ID and a color copy of the social security card of the spouse of the “Responsible Official” is also required.

EVEN IF you are exempt from having to have an individual’s social security number tied to the EBT processing machine, you are still required to submit a copy of the “Responsible Official’s” social security card. This is so that the FNS can run a background check on whether or not that individual was previously affiliated with any SNAP programs in the past. They are also checking for any criminal charges in this background check.

The FNS address of where to mail these documents is provided on this final application page. And then YOU’RE DONE! After mailing in your documents, please note it may take FNS up to 45 days for you to receive your SNAP certified FNS number. FNS will MAIL YOU your official FNS approval certification in a big packet to the mailing address you provided in the application.
In your packet from FNS, you automatically receive an FIS contract once accepted, because FIS is Wisconsin’s State provided POS equipment and supplies provider. This EBT equipment is FREE (i.e. do not have to pay for machine nor transaction fees) if the farmers market makes at least $100 in SNAP sales. However, this type of equipment has to be plugged in to an outlet and a phone line, which are not usually available to outdoor farmers markets. It also only processes EBT and is not capable of processing credit or debit, but is a free option that has no fees associated with its use. If you DO NOT wish to use this equipment, you can IGNORE the FIS contract that comes with your FNS approval packet. No action is needed.

We recommend using something that is wireless and battery powered, as well as has the option of accepting debit and credit cards in case your market may want to use that in the future, or already uses it now. The Farmers Market Coalition (FMC) is a national organization that provides free equipment through a USDA-funded program. The 2018 program will reopen at a date to be determined. For now, applicants have to email FarmersMarkets@fns.usda.gov to be placed on a wait list for receiving free equipment.

Once the application reopens, we will notify you! In order to apply, you need to already have an FNS number. So you will have to wait until you are officially certified by FNS in order to apply for free equipment. You will only need basic information about your market for this application, but they do suggest that the point of contact to get the free equipment should also be whomever is the “Responsible Official” who has accepted responsibility for SNAP authorization with FNS.

If any other funding opportunities for free equipment come up on our radar, we will let you all know immediately!
As a market you must decide what kind of market currency you would like to have. Tokens or paper scrip are acceptable forms. We recommend tokens, as they are a more reusable kind of market currency. It is also standard to have currency be in $1 increments, in order to accommodate all transaction amounts.
Currency & Accounting Trail
You will need a table and some chairs to have a general market information booth, if you don’t have one already. Also a sign saying that you accept Quest or handle EBT transactions at the table will help customers at your market!

- Customer comes up to the market table and says how much they would like taken off their card. You proceed with the transaction based on your card processing equipment. After swiping the customers EBT card they will need to enter their PIN number. These transactions will be deposited to your bank account within 2 business days. At Fondy, we opened up a separate bank account just for handling market currencies and transactions. We call it our restricted funds account. We recommend this for other markets as well – but remember that you need to know the name and address of your bank before starting your SNAP authorization online application.
• You hand them their tokens and a printed RECEIPT. Handing a receipt to customers who use EBT at your market is required by law. At Fondy, we actually have a system of having tokens already stacked up in $20 – also having plastic Ziploc bags available for customers who make larger transactions can always be helpful when it comes to handling their currency.

• The customer spends their tokens on SNAP eligible items at the market. Please see your sheet with a review of SNAP eligible items. It will help guide you and your vendors on when they can accept tokens.

• Farmers then turn in their tokens to you for reimbursement. We recommend that you encourage your vendors to do this at the END of EACH market. This will help keep your stock of market currency up, as well as decreases the risk of them getting potentially lost on the vendor side. It helps keep the loop of this cycle tighter.

• Employ a tracking system for when vendors turn in tokens. This could come in many forms. At Fondy we do TWO things: we handwrite a receipt of the vendor’s name, date, and how many tokens were turned in and give the carbon copy of the receipt to the vendor. We also handwrite the date and amount of tokens turned in on a spreadsheet for each vendor, and have a system of having BOTH market staff and vendor initial the sheet to confirm the amount given. In addition to handwriting these tracking sheets, we also type them in an Excel spreadsheet not only to have a digital copy on hand, but to also have the information in more than one place.

• Using these tracking sheets, you can cut your vendors a check from your bank account. Something to decide before putting this program into place is the timing of cutting checks. At Fondy, we total up the spreadsheets at the end of each month and then cut our checks. You should decide on something that is consistent, so that vendors know when they can be receiving reimbursement checks from you.

• At this point you should have had your market currency recycled and ready to be used to start the process all over again!
Customer Service

• At point of purchase...
  • Remind customers tokens are for SNAP eligible items
  • Suggest they browse the market before making transaction
  • Tokens DO NOT expire!

• Training volunteers & staff!

• Sheet detailing EBT process @ market booth

• Offline transactions

• At point of purchase, remind customers that tokens are for SNAP eligible items – i.e. if you have any hot food vendors, let them know that they cannot use their tokens with those vendors.

• If a customer cannot decide how much they want to take out for a transaction, suggest that they walk around the market, ask vendor prices, and then come back to the market table to take out a certain amount. And, of course, they can always come back for a second transaction if they want! This is to avoid having to make returns, if necessary. Returns can be easily made using any POS system, but we generally try to avoid that if possible, especially as to not encourage folks to “give back” their tokens after they decide they don’t need them anymore.

• Remind them that tokens DO NOT expire! It is recommended that they use them by the end of the season, but they can use them the following season if a year is not printed on the currency (for example, tokens or scrip that represents any incentive programs expires by end of season).

• Of course, training volunteers and staff of the process is important, too. Especially to make all those who help with EBT aware to be sensitive of some shoppers who may not always feel comfortable presenting a market staffer with a Quest card due to the associated stigmas (that, of course, we would like to eliminate!).
• Create a sheet of the steps needed in order to complete a successful EBT transaction. Have this at your market info booth table for volunteers who staff the EBT table to follow along.
• In the case of any sort of issue with your EBT machine (i.e. if not charged and battery dies) you can still process EBT transactions with what is called an “Offline Food Stamp Voucher.” A set of these vouchers will be sent to you once you are SNAP certified and have an FNS number. If for some reason they do not, contact FNS. Basically it’s writing down all the information needed to conduct a manual transaction once your machine is ready. The transaction needs to be completed within 15 days on a POS system. All of this is listed out on the offline food stamp voucher.
Here are a list of things to consider that you may need to budget for in order to get your EBT program set up at your farmers market.

- **Equipment** – which, again, you can get for free from the Farmers Market Coalition! If using equipment outside of this program, we recommend purchasing equipment, as leasing equipment month-to-month often ends up being drastically more expensive.
- **Printing costs** – tokens, tracking sheets and/or receipt books with a carbon copy is preferable. Signage whether it be a simple framed sign at your table or a large banner that hangs that notifies customers that this is where Quest transactions occur.
- **Things like a table and a chair!**
Ongoing costs to keep up with your program include:

- **Equipment fees** – which, again, if you get free equipment with the Farmers Market Coalition, is completely covered for the first three years. Fees would include a lease on the machine or any sort of monthly hosting / wireless data fee.

- **Transaction fees** – these are NOT covered by the Farmers Market Coalition’s free equipment program. They can range from $0.10 to $0.20 per EBT card swipe. If your machine also processes debit and credit, the transaction rates will be different for those card types.

- **Accounting fees** such as physical checks, whatever those may cost for your organization to have, whether handwritten or printed through a program like QuickBooks. Also consider bookkeeping – does your farmers market need a laptop that has Excel capabilities in order to be most functional? Or will a volunteer use their personal laptop and make sure all other volunteers have most updated information?

- **Staff time** – if allowed or if an EBT table is not powered by volunteers. Consider the staff time needed to man an EBT table and help with the bookkeeping. Of course, down the line the Milwaukee Farmers Market Coalition would love to have a group of volunteers specifically for helping with EBT at farmers markets... one day 😊

- **Marketing** – any other printed materials or designs needed to market your EBT program!
The Farmers Market Nutrition Program allows those enrolled in the WIC program, as well as low-income seniors, to receive a “check” that can be spent directly at a farmers market. Please see brochure that is handed to participants to see more information about this program. Hunger Task Force hands out senior checks every summer season, while WIC participants can visit their local WIC clinic to pick up their farmers market checks.
This is the sign that vendors, who are approved, must display at their booth to notify customers with FMNP checks that they can take their vouchers.

NOTE: in order for a vendor to accept FMNP checks, the market they are vending at must ALSO be FMNP approved! Please view the simple, one-page FMNP market application to see how approval process works. Application should be mailed in to the address listed, or scanned and emailed to Ann White at awhite@seedsofhealth.org.