

EBT at Farmers Markets: A "Cheat Sheet"

(Additional resources listed at the end)

Application Process

Decide whether to accept just EBT, or EBT, credit, and debit cards

- Apply to FNS to become a SNAP authorized farmers market:
 - Go to <http://www.fns.usda.gov/snap/ebt/fm.htm>
 - One person associated with the market will need to supply a social security number on the application
 - Takes a minimum of 45 days

No cost to apply.

Procuring an EBT card reader machine

- *Explore rental, lease and purchase options to determine the best fit for your market. Costs vary significantly from provider to provider. Can take anywhere from 3 days to 3 weeks. Give yourself adequate time!*
- *If you have a telephone line and electricity at the market site, and don't plan on accepting credit cards, then you can get a free machine from the state and use the state's EBT prime contractor (in MN, the prime contractor is eFunds)*
- *Otherwise, research and contract for a card reader machine and card services provider agreement*
- *Compare contract terms, fees for transactions, wireless services, service cancellation, and temporary (off-season) de-activation and re-activation, machine warranties, and other services. Beware: providers find many other ways to slip in fees...*
- *Have a lawyer review your contract before signing. Make sure you understand the fine print! This includes:*
 - *Understanding fees, contract term, cancellation costs, fees for temporary de-activation and re-activation*

Budget Items Related to EBT card reader machines and service agreements

- *In all cases, see which features (e.g.: wireless service) can be disabled in the off-season to save money*
- *Purchase a wireless machine for \$600-\$1500 or rent or lease a wireless machine for about \$50/month*
- *Wireless fees \$30-\$55/month*
- *Transaction fees for EBT transactions are generally between \$0.10 and \$0.25 per transaction. Transaction fees for*

credit and debit cards also vary from provider to provider and are usually charged on a percentage basis. Credit card fees vary significantly and are much more expensive than EBT. There may also be a monthly service maintenance fee.

Establish Money Management Practices.

- Set-up a bank account, for deposit of funds from card services provider. Banks may also charge transaction fees (a per deposit or draft charge, for example). *Setting up a business account can take some time. Allow for it!*
- The market may have to incorporate if it hasn't already done so, which can take some time
- Worksheets for pre- and post-market accounting (setting up and reconciling your "drawer" – examples attached)
- Worksheets for recording token redemptions by vendor and for figuring reimbursements (examples attached)
- Receipt system for vendors (examples attached)
- If you are going to allow vendors to apply tokens to fees, you will need establish some way of keeping track of this (not all markets allow vendors to apply tokens to stall fees)
- Set-up an accounting system. You will need a computer available for accounting. Accounting software is very helpful to have.
- A method to reconcile card services statements with bank account statements, reimbursement register, etc
- Some method for accounting for card sales and reimbursements on your balance sheets that shows the activity as a pass through

Design, Order and Purchase EBT Tokens

Tokens can take up to 3 weeks from the time you place the order. Allow at least two more weeks for design prior to printing!

- Design and order tokens that incorporate multiple colors, intentional flaws in the design, and serialization to reduce fraud
- It costs about \$350 for 1000 serialized, multicolor wooden tokens
- Tokens get a beating, so look for a company that uses clear, hard woods
- Quantity depends on the size of market, but remember that tokens may remain in circulation well beyond the market day they are issued so plan to have an ample supply
- \$1 tokens are best for EBT, since change can't be given.

- If the market also accepts credit/debit cards, use a different size and/or color for ease of identification and sorting. A \$5 denomination works well.
- If you have a large market or many markets, consider using metal tokens with a coin counter to reduce pre- and post-market accounting

Staffing (the most significant need)

Don't underestimate the staff time it takes to plan, execute and manage EBT use at farmers markets.

- Hire staff
 - Someone to sit at the card reader during market hours
 - Someone to do drawer reconciling
 - Someone to do back-of-the-house accounting
- Train staff, vendors, volunteers, and market patrons
Training should happen before the market season begins. Leave time for translation of materials, finding an interpreter and translation equipment, if needed.
 - Indicate what items are SNAP eligible
 - Explain how everyone benefits from SNAP at the market-- economic and social benefits
 - Explain the differences between SNAP and other food assistance programs
 - May want to include an agreement between the market and each vendor showing that each understands the program, reimbursement method and periodicity, etc (examples of vendor/market agreements are available in several of the resources list below)
 - You may need to provide translation services and equipment in order to ensure all your vendors truly understand contribute to your program. (Contact CURA for information about the availability of translation equipment available for use by community organizations)

***If you can't hire staff, consider the following:*

- Ask a faith community, an organization involved in anti-hunger issues, a local service club to provide volunteers and volunteer coordination
- If you do the above, remember that consistency is CRITICAL. Too many individuals managing this effort can create problems.
- If you are offering credit/debit card services, anyone involved should understand that they are handling the equivalent of cash

Promotions Development

The purpose of promotions is to get the right message to the customers you would like to attract—in this case, community

members using SNAP. Many of the most effective delivery methods are simple and low cost. GIVE YOURSELF ENOUGH TIME TO DO PROMOTIONS RIGHT!

- Research - Spend time and resources getting to know and involving your audience(s), involving a communications professional with expertise in marketing and promotions, if possible. You should allow for 4 - 6 months minimum to develop your promotions strategy, particularly if you are undertaking thorough research, leveraging valuable collaboration, etc.
- Carefully develop your message to suit your audience(s). This might include the need for translation into multiple languages or outlets that are customized to suit
- Consider and involve multiple cultural communities in the development and dissemination of promotional material and outreach efforts
- Don't forget to create materials that promote the EBT program at your market—vendor signs, market banners and posters, information signs—these are one of the #1 ways (aside from simple word of mouth) that people find out they can use SNAP at the market
- Deliver your message in packages (flyers, postcards, via community ambassadors) and to places (schools, clinics, faith and community organizations) that meet your audience's needs. Also allow time for door-to-door mailings, utility bill and community paper inserts, using other delivery services, and meeting the deadlines for press releases, PSA's, etc.
- Design and conduct campaign evaluation, with the assistance of a communications professional to determine which tactics have yielded the best bang for the buck.

Extra Programs Can Increase Impact

- If you intend to offer complementary interventions along with your EBT program, start planning and engaging partners early
- Examples of "extras" –
 - Matching incentives ("matching bucks") – for every EBT dollar used, another is available as a 'market buck' to purchase additional fruits and vegetables
 - Provision of transportation assistance (vans, free buscards, taxi vouchers, etc.)
 - Cooking classes, food preservation or other nutrition education
 - A "veggie prescription" program, issued through area health clinics

Resources directly referenced in the webinar presentation

The MDA has a print “how-to” resource available with example accounting sheets, etc.

Mailto: David.Weinand@state.mn.us

USDA’s website devoted to SNAP at farmers markets

<http://www.fns.usda.gov/snap/ebt/fm.htm>

An excellent “How-to” guide developed and published by PPS

http://www.pps.org/pdf/SNAP_EBT_Book.pdf

An equally useful guide published by the USDA

<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5085298>

A well-researched resource that gives a great overview of EBT, really elucidates some of the short- and long-term challenges around implementing/sustaining EBT at farmers markets, makes excellent recommendations for promoting policy change, etc...

<http://www.foodsecurity.org/pubs.html#fmsnap>

General SNAP at the farmers market resources (these are just a few, there are many):

www.farmersmarketcoalition.org (one of the best one-stop farmers market-related resource libraries)

www.pps.org/markets

www.nyfarmersmarket.com/ebt.htm

<http://www.snaptomarket.com/>

www.portlandfarmersmarket.org/index.php

www.marketumbrella.org

Regarding connecting farmers markets and CSA’s with EBT capability

www.hungerfreemn.org

Alanna Shoquist (ashoquist@2harvest.org)

Regarding SNAP eligible items

<http://www.fns.usda.gov/snap/retailers/eligible.htm>

Regarding examples of grant opportunities for free wireless card readers

Minnesota Farmers Market Association (this is a 2011 season opportunity!) Contact

Deonna Bouska (dbouska@mfma.org)

Specialty Crop Improvement Grants through MDA (or other state’s respective Ag

Departments) <http://www.mda.state.mn.us/grants/grants/specialty.aspx>

FMPP Grants <http://www.ams.usda.gov/AMSV1.0/FMPP>

Regarding pier-to-pier mentoring on information about promoting SNAP as a means to purchase seeds and food producing plants

Daniel Bowman (Daniel@thewhofarm.org)

For some resources on multi-lingual promotional materials

The Institute for Agriculture and Trade Policy (www.IATP.org)

USDA FNS (www.fns.usda.gov/snap/ebt/fm-scrip-success_stories.htm)

The Ecology Center (www.ecologycenter.org)

For general questions regarding the SNAP program

Go to <http://www.fns.usda.gov/fdd/contacts/fnsro-contacts.htm> for regional FNS office contact info

For MN, WI, MI, IL, IN, OH--Robin Masters (Robin.Masters@fns.usda.gov or (317) 510-7226)

For finding farmers markets that are SNAP authorized retailers

<http://apps.ams.usda.gov/FarmersMarkets/>